
The enclosed electronic (PDF) document has been created by scanning an original paper document. Optical Character Recognition (OCR) has been used to create searchable text. OCR technology is not perfect, and therefore some words present in the original document image may be missing, altered or may run together with adjacent words in the searchable text.

NOTICE OF EXTENSION
SERIES 2015 GR-4

**AMENDMENT TO LETTER OF CREDIT (EXTENSION OF STATED EXPIRATION
DATE)**

Irrevocable Letter of Credit No. [REDACTED] dated March 14, 2018

March 12, 2021

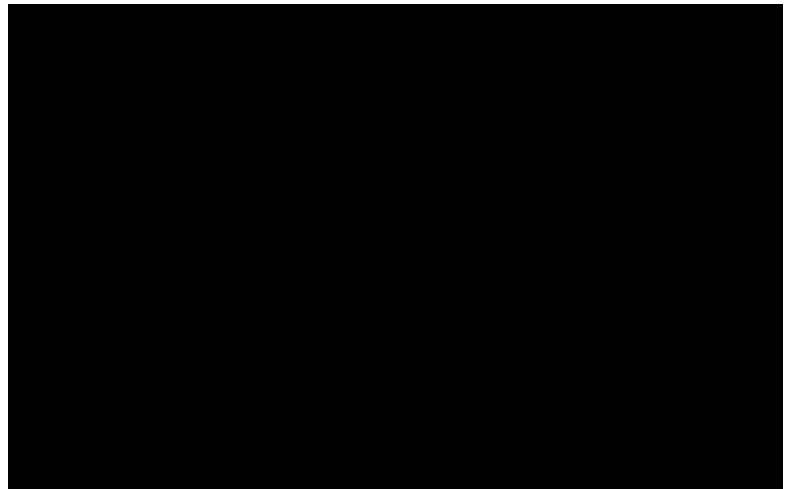
The Bank of New York Mellon, as Issuing
and Paying Agent

Ladies and Gentlemen:

Reference is hereby made to the Irrevocable Letter of Credit No. [REDACTED] dated March 14, 2018 (the "Letter of Credit"), established by Royal Bank of Canada, in your favor as Issuing and Paying Agent. As of the date hereof, in accordance with the terms of the Letter of Credit and the Reimbursement Agreement dated as of January 1, 2018, between the Long Island Power Authority and the Bank , the Stated Expiration Date (as defined in the Letter of Credit) has been extended to March 8, 2024.

This letter constitutes an amendment to the Letter of Credit and should be attached to the Letter of Credit and made a part thereof.

ROYAL BANK OF CANADA



The enclosed electronic (PDF) document has been created by scanning an original paper document. Optical Character Recognition (OCR) has been used to create searchable text. OCR technology is not perfect, and therefore some words present in the original document image may be missing, altered or may run together with adjacent words in the searchable text.

*AGREEMENT TO EXTEND LETTER OF CREDIT
SERIES 2015 GR-4*

AGREEMENT TO EXTEND LETTER OF CREDIT

Relating to:
\$200,000,000

Long Island Power Authority
Electric System General Revenue Notes, Series 2015 GR-4

This Agreement to Extend Letter of Credit (this “Agreement”), dated March 9, 2021 (the “Effective Date”), between Long Island Power Authority (the “Authority”) and Royal Bank of Canada (the “Bank”),

WITNESSETH:

WHEREAS, the Authority and the Bank have previously entered into that certain Reimbursement Agreement dated as of January 1, 2018 (as amended, supplemented or restated from time to time, the “Reimbursement Agreement”), pursuant to which the Bank issued that certain Irrevocable Letter of Credit No. [REDACTED] dated March 14, 2018 (the “Letter of Credit”) in favor of The Bank of New York Mellon as beneficiary and Issuing and Paying Agent (the “Issuing and Paying Agent”), supporting the Authority’s Electric System General Revenue Notes, Series 2015 GR-4;

WHEREAS, Section 2.1(b) of the Reimbursement Agreement provides that the Stated Expiration Date for the Letter of Credit shall be subject to extension upon the request of the Authority and with the written consent of the Bank in its sole discretion;

WHEREAS, Section 8.2 of the Reimbursement Agreement provides that it may be amended in writing by the parties, subject to approval by the New York Attorney General and New York State Comptroller;

WHEREAS, the Authority has requested that the Bank extend the Stated Expiration Date of the Letter of Credit and amend the Reimbursement Agreement as set forth herein, and the Bank has agreed to extend the Stated Expiration Date of the Letter of Credit and to amend the Reimbursement Agreement subject to the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the premises, the parties hereto agree as follows:

Section 1. Certain Defined Terms. Capitalized terms used herein and not otherwise defined have the meanings given to them in the Reimbursement Agreement.

Section 2. Extension of Stated Expiration Date. The Authority hereby requests that the Bank extend the Stated Expiration Date of the Letter of Credit to March 8, 2024, and the Bank, subject to the satisfaction of the provisions of Section 4 hereto, agrees to such request and on the Effective Date will deliver to the Issuing and Paying Agent an amendment to the Letter of Credit substantially in the form attached hereto as Exhibit A to effectuate such extension.

C-000913

3550785.4 041228 AGMT

Section 3. Amendment of Reimbursement Agreement.

(a) The final sentence of Section 2.16 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

The Authority shall pay principal and interest on the Bank Note on the dates and at the rates provided for in Sections 2.7 through 2.10 hereof with respect to Unreimbursed Amounts and Bank Loans.

(b) Section 6.1(e) of the Agreement is hereby amended by the insertion of the clause “(and any related reimbursement agreement)” following each instance of Credit Facility and Subordinated Credit Facility.

(c) Section 8.22(b) of the Agreement is hereby amended by the addition of the clause “or any applicable laws, rules and regulations concerning or relating to bribery or corruption” at the end thereof.


(d) The first sentence of Section 8.22(f) of the Agreement is hereby amended by the addition of the clause “or any economic or financial sanctions or trade embargoes, or violate any applicable laws, rules and regulations concerning or relating to bribery or corruption” at the end thereof.

Section 4. Replacement of Appendix A. Appendix A to the Reimbursement Agreement is hereby deleted in its entirety and replaced with the Appendix A attached hereto as Exhibit B.

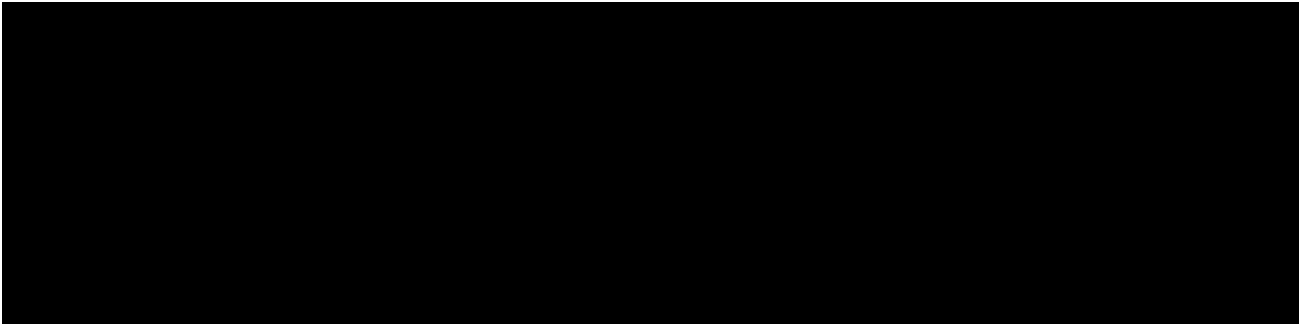
Section 5. Amendment of Section 1.1 of Fee Annex. Section 1.1 of the Fee Annex is amended to read in its entirety as follows:

The Authority agrees to pay to the Bank, in immediately available funds, without any requirement of notice or demand, on the first Business Day of April 1, 2021, for the period from and including January 1, 2021, to and including March 31, 2021, and in arrears on the first Business Day of each July, October, January and April occurring thereafter to and including the Termination Date, and on the Termination Date, a non-refundable letter of credit fee (the “Letter of Credit Fee”) in an amount, for each day during the related fee period, equal to the product of (x) the rate per annum associated with the Rating (as defined below) as specified in the applicable Level in the applicable pricing matrix below for such day (the “Letter of Credit Fee Rate”) multiplied by (y) the Stated Amount (without regard to any temporary reductions of the Stated Amount) for such day during each related period.

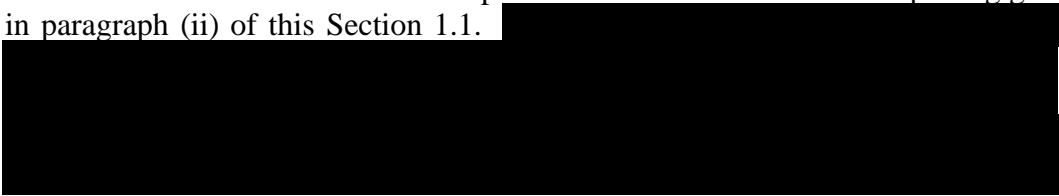
(i) For the period commencing on January 1, 2021, to and including March 9, 2021, the Letter of Credit Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:



(ii) For the period commencing on March 10, 2021, and all times thereafter, the Letter of Credit Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:



The term “Rating” as used above means the lowest long term unenhanced rating assigned to any Bonds or any Parity Obligations by Fitch, S&P and Moody’s. In the event of a split rating (i.e., one of the Rating Agencies’ Rating is at a different Level than the Rating of any of the other Rating Agencies), the Letter of Credit Fee Rate shall be based upon the Level in which the lowest Rating appears (for the avoidance of doubt, Level 5 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing grid). Any change in the Letter of Credit Fee Rate resulting from a change in a Rating will be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as determined by the Rating Agencies at the date hereof and, in the event of adoption of any new or changed rating system by any Rating Agency, including, without limitation, any recalibration or realignment of the Ratings in connection with the adoption of a “global” rating scale, each of the Ratings referred to above from the Rating Agency in question will be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as in effect at the date hereof. The Authority represents that as of the Effective Date the Letter of Credit Fee Rate is that specified above for Level 1 in the pricing grid in paragraph (ii) of this Section 1.1.



[REDACTED]

The Letter of Credit Fee will be payable in immediately available funds and computed on the basis of a 360 day year and the actual number of days elapsed. To the extent any Letter of Credit Fee is not paid when due, such Letter of Credit Fee shall accrue interest from the date payment is due until payment in full at a per annum rate of interest equal to the Default Rate, such interest to be payable on demand. The Authority acknowledges and agrees that all amounts previously paid to the Bank under the Fee Annex before April 1, 2021 were fully earned and nonrefundable.

Section 6. Representations and Warranties. The Authority hereby represents and warrants that the following statements are true and correct as of the Effective Date:

(a) the representations and warranties of the Authority contained in Article IV of the Reimbursement Agreement, in Section 8.22 of the Reimbursement Agreement, and in each of the other Documents, are true and correct on and as of the Effective Date as though made on and as of such date (except to the extent the same expressly relate to an earlier date);

(b) no Potential Default or Event of Default has occurred and is continuing or would result from the execution of this Agreement.

(c) the execution, delivery and performance by the Authority of this Agreement is within its powers, has been duly authorized by all necessary action and does not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the Authority;

(d) no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Authority of this Agreement; and

(e) this Agreement has been duly executed and delivered and this Agreement and the Reimbursement Agreement, as amended hereby, each constitutes the legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms, except that (i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of the Authority, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

Section 7. Other Terms Unchanged. This Agreement is for the sole purpose of inducing the Bank to extend the Stated Expiration Date of the Letter of Credit, and no other terms of the Reimbursement Agreement (including the Fee Annex) or the Letter of Credit (other than as set forth herein) shall be changed by the execution and delivery hereof.

Section 8. Effective Date. This Agreement shall become effective as of the Effective Date set forth above, upon:

- (a) execution and delivery by the Authority and the Bank of this Agreement;
- (b) delivery by the Authority of evidence that it is authorized to execute and deliver this Agreement and that the Authority has approved the transaction contemplated hereby;
- (c) approval by the Office of the New York State Comptroller and the Office of the New York State Attorney General; and
- (d) payment of the legal fees for counsel to the Bank relating to the preparation and negotiation of this Agreement.

Section 9. Governing Law; Jury Trial. This Agreement shall be governed by and construed in accordance with the laws specified in Sections 8.6 and 8.24 of the Reimbursement Agreement.

Section 10. Counterparts. This Agreement may be executed and delivered in counterparts, each of which will be deemed an original. This Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

Section 11. Severability. Any provision of this Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 12. Satisfaction of Conditions to Extension. By execution of this Agreement the parties agree that the requirements and conditions contained in the Reimbursement Agreement (including, without limitation, those in Section 2.1(b) thereof) for the extension of the Stated Termination Date have been satisfied or waived.

Section 13. Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction hereof.

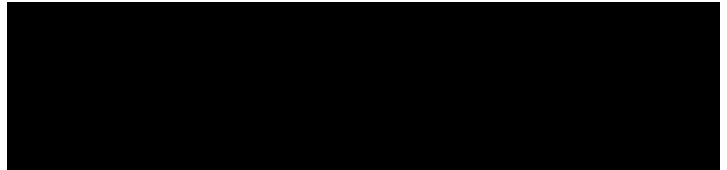
Section 14. Novation. This Agreement amends the Reimbursement Agreement and Fee Annex but is not intended to be or operate as a novation or an accord and satisfaction of the Reimbursement Agreement, Fee Annex or any other Document or the indebtedness, obligations and liabilities of the Authority evidenced or provided for thereunder. This Agreement does not extinguish the obligations for the payment of money outstanding under the Reimbursement Agreement, Fee Annex or any other Document or discharge or release the obligations or the liens or priority of any pledge or any other security therefor.

Section 15. State Comptroller Approval. In accordance with Section 112 of the New York State Finance Law, this Agreement shall not be valid, effective or binding upon the Authority until it has been approved by the State Comptroller and filed in his office.

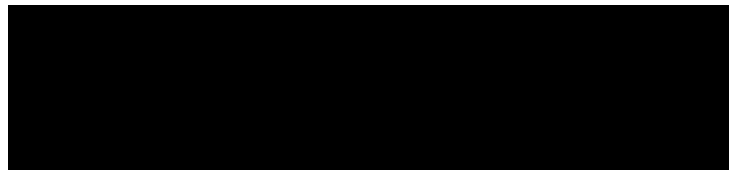
[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to Extend Letter of Credit to be duly executed and delivered by their respective duly authorized officers as of the day and year first above written.

LONG ISLAND POWER AUTHORITY

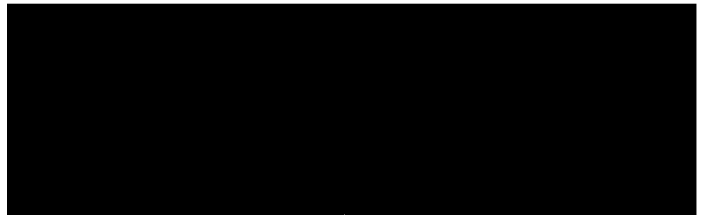


ROYAL BANK OF CANADA

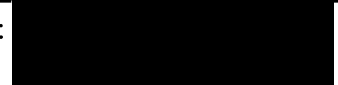


Approved by:

OFFICE OF THE STATE COMPTROLLER



Approved as to form by:



OFFICE OF THE NEW YORK ATTORNEY GENERAL

By: _____

Name: _____

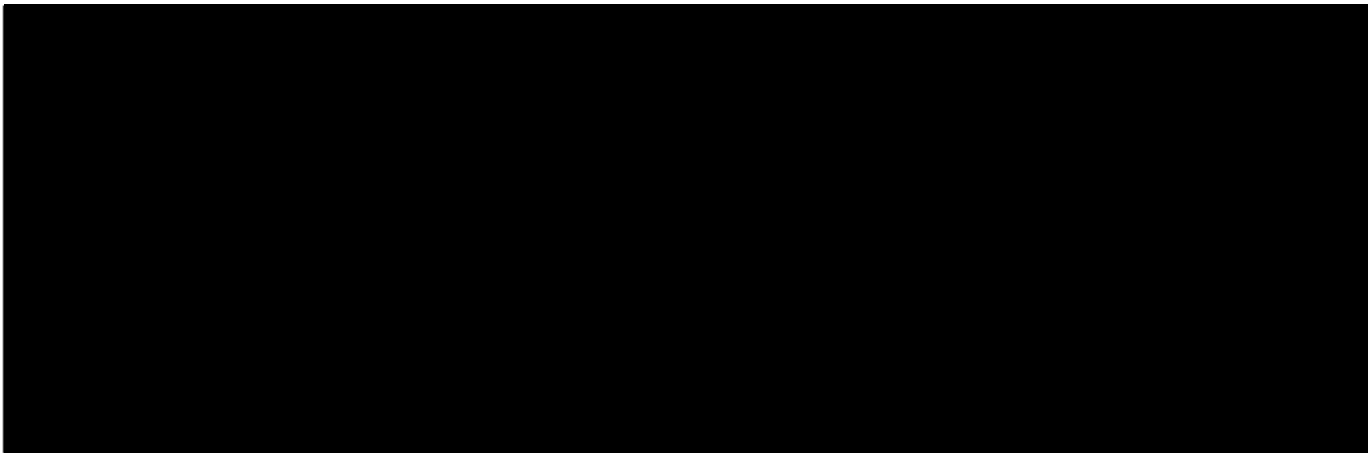
Title: _____

C-000913

ACKNOWLEDGEMENT

STATE OF NEW YORK)
)
COUNTY OF NEW YORK) ss:

On the 9th day of March, 2021, before me personally came [REDACTED], to me known to be the individual described in the foregoing instrument in his capacity as [REDACTED] of Royal Bank of Canada, the corporation described in and which executed the foregoing instrument, who being duly sworn did acknowledge that he/she executed same on behalf of Royal Bank of Canada and that he/she was authorized to execute same on behalf of Royal Bank of Canada.



From: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: LIPA GR-4 , 3- year Extension Agreement- C-000913- Royal Bank of Canada : Ext LoC
Date: Wednesday, March 10, 2021 1:41:31 PM

Extend Letter of Credit

Approved as to form: 3/10/2021 by [REDACTED]
Received: 3/9/2021

Reminder: Agencies must forward the contract approved by the OAG Contract Approval Section along with the email in which the OAG Contract Approval Section approved the contract, to OSC via the Comptroller's EDSS system. If you are not enrolled in the EDSS system and have not made alternative arrangements with OSC on how to submit your transaction, please contact OSC at [REDACTED]

OAG: CAS please file and enter. p

From: [REDACTED]
Sent: Tuesday, March 9, 2021 2:14 PM
To: [REDACTED]
Cc: [REDACTED]
[REDACTED]
Subject: RE: LIPA GR-4 , 3- year Extension Agreement- C-000913- Royal Bank of Canada

Hi [REDACTED],
[REDACTED] just gave us the "go ahead " for these contracts.
Attached is the executed version for C-000913, for your review, approval and return.
The documents for the other contract- C000936 will follow in a separate email.
Regards
[REDACTED]

From: [REDACTED]
Sent: Tuesday, February 16, 2021 10:45 AM
To: [REDACTED]
Cc: [REDACTED]
[REDACTED]
Subject: RE: LIPA GR-4 , 3- year Extension Agreement- C-000913- Royal Bank of Canada

Thank you [REDACTED]

From: [REDACTED]

Sent: Saturday, February 13, 2021 3:25 PM

To: [REDACTED]

Cc: [REDACTED]
[REDACTED]

Subject: RE: LIPA GR-4 , 3- year Extension Agreement- C-000913- Royal Bank of Canada

[EXTERNAL]

Hi [REDACTED]

Below is a cut and paste response from LIPA's Bond Counsel:

The original GR-4 Reimbursement Agreement had an effective date of 3/14/2018. It expires on March 12, 2021. The Extension Agreement is currently schedule to close on March 9, 2021, and will extend the letter of credit to March 8, 2024.

Attached are:

- 1- Excel sheet showing CV calculations, as well as an excel sheet showing current spend for both contracts C-000913 and C-000936.
- 2- AC340 with the revised start and end dates and
- 3- Copy the VRP for RBC (will get you the signed one, once the CFO signs it).

Regards
[REDACTED]

From: [REDACTED]

Sent: Saturday, February 13, 2021 11:35 AM

To: [REDACTED]

Cc: [REDACTED]
[REDACTED]

Subject: RE: LIPA GR-4 , 3- year Extension Agreement- C-000913- Royal Bank of Canada

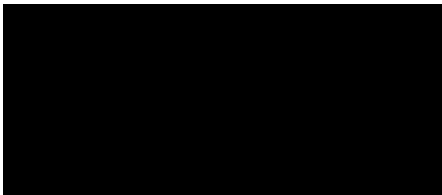
[REDACTED]

A few initial questions on C000913:


- 1) The current value of the agreement is [REDACTED] representing a [REDACTED] commitment and [REDACTED] in interest and fees. Please confirm the final contract amount and the amount of the requested increase/decrease of the Reimbursement Agreement.
- 2) The contract is currently on file as beginning on 3/15/18 and ending on 3/14/22. The AC-340 for the contract period shows a new end date of 3/14/22. The extension to the letter of credit agreement references a 3/8/24 end date. Please clarify the original start date and new end date of the amended letter of credit agreement.
- 3) Please provide a copy of the Vendor Responsibility Profile for Royal Bank of Canada.

I expect to have a few additional substantive questions on the LOC and reimbursement agreements during the week of 2/15. Thank you.

[REDACTED]



For access to state and local government spending, public authority financial data and information on over 180,000 state contracts, visit Open Book New York. The easy-to-use website was created to promote transparency in government and provide taxpayers with better access to financial data.



From: 

Sent: Thursday, February 11, 2021 9:33 AM

To: 



Cc: 

Subject: FW: LIPA GR-4 , 3- year Extension Agreement- C-000913- Royal Bank of Canada

Good morning 

See attached documents for the dealer agreement with RBC- forwarding the email from LIPA's counsel- that is the only way I can preserve the long, but helpful file names.

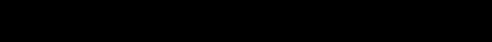
Regards

Regards




From: 

Sent: Wednesday, February 10, 2021 4:07 PM

To: 

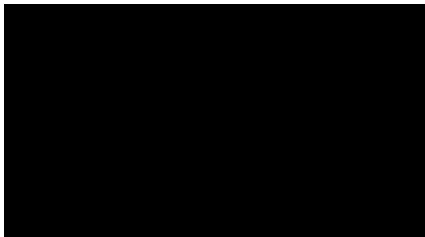
Cc: 

Subject: LIPA GR-4 Extension Agreement



The Bank has signed off on the attached version of the extension agreement. I've also included a redline against the Citibank extension they approved back in July. In order to assist with their review, I've also attached an word version of the current GR-4 Reimbursement Agreement.

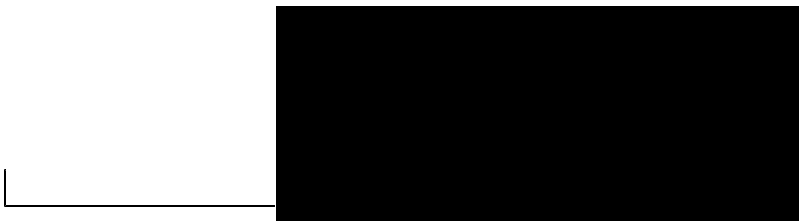
Best,





This e-mail, including any attachments, is sent by a law firm and may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments, destroy any printouts that you may have made and notify us immediately by return e-mail. Thank you.

LIPA IT WARNING: This email came from an external source. THINK before you open attachments or click on links and NEVER provide IDs or passwords.



Notice: This communication, including any attachments, is intended solely for the use of the individual or entity to which it is addressed. This communication may contain information that is protected from disclosure under State and/or Federal law. Please notify the sender immediately if you have received this communication in error and delete this email from your system. If you are not the intended recipient, you are requested not to disclose, copy, distribute or take any action in reliance on the contents of this information.

LIPA IT WARNING: This email came from an external source. THINK before you open attachments or click on links and NEVER provide IDs or passwords.

IMPORTANT NOTICE: This e-mail, including any attachments, may be confidential, privileged or otherwise legally protected. It is intended only for the addressee. If you received this e-mail in error or from someone who was not authorized to send it to you, do not disseminate, copy or otherwise use this e-mail or its attachments. Please notify the sender immediately by reply e-mail and delete the e-mail from your system.

LIPA IT WARNING: This email came from an external source. THINK before you open attachments or click on links and NEVER provide IDs or passwords.

LIPA IT WARNING: This email came from an external source. THINK before you open

attachments or click on links and NEVER provide IDs or passwords.

EXHIBIT A
AMENDMENT TO LETTER OF CREDIT (EXTENSION OF STATED EXPIRATION DATE)

Irrevocable Letter of Credit No. [REDACTED] dated March 14, 2018

[dated the Effective Date]

The Bank of New York Mellon, as Issuing
and Paying Agent

[REDACTED]

Ladies and Gentlemen:

Reference is hereby made to the Irrevocable Letter of Credit No. [REDACTED] dated March 14, 2018 (the "Letter of Credit"), established by Royal Bank of Canada, in your favor as Issuing and Paying Agent. As of the date hereof, in accordance with the terms of the Letter of Credit and the Reimbursement Agreement dated as of January 1, 2018, between the Long Island Power Authority and [REDACTED], the Stated Expiration Date (as defined in the Letter of Credit) has been extended to March 8, 2024.

This letter constitutes an amendment to the Letter of Credit and should be attached to the Letter of Credit and made a part thereof.

ROYAL BANK OF CANADA

By: _____

Name: _____

Title: _____

EXHIBIT B

STANDARD CLAUSES FOR LIPA CONTRACTS

For the purposes of this Appendix A, the Long Island Power Authority and its operating subsidiary the Long Island Lighting Company d/b/a LIPA are hereinafter referred to as "LIPA."

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "*the contract*" or "*this contract*") agree to be bound by the following clauses which are hereby made a part of the contract (the word "*Contractor*" herein refers to any party other than LIPA, whether a contractor, consultant, licensor, licensee, lessor, lessee or other party):

NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of LIPA, and any attempts to assign the contract without LIPA's written consent are null and void. Contractor may, however, assign its right to receive payment without LIPA's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

COMPTROLLER'S APPROVAL. In accordance with Section 112 of the New York State Finance Law (the "*State Finance Law*"), this Agreement shall not be valid, effective or binding upon LIPA until it has been approved by the State Comptroller and filed in his office.

WORKER'S COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this Agreement shall be void and of no force and effect unless Contractor provides and maintains coverage during the life of this Agreement for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

NON-DISCRIMINATION REQUIREMENTS. In accordance with Article 15 of the Executive Law (also known as the Human Rights Law) and all other New York State and Federal statutory and constitutional non-discrimination provisions, Contractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex (including gender identity or expression), national origin, age, disability, marital status, sexual orientation, genetic predisposition or carrier status. Furthermore, in accordance with Article 220-e of the New York Labor Law, and to the extent that this Agreement shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, national origin, sexual orientation, genetic predisposition or carrier status; (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee for the performance of work under this Agreement.

NEW YORK STATE EXECUTIVE ORDER NO. 177 (PROHIBITING STATE CONTRACTS WITH ENTITIES THAT SUPPORT DISCRIMINATION) CERTIFICATION. The New York State Human Rights Law, Article 15 of the Executive Law, prohibits discrimination and harassment based on age, race, creed, color, national origin, sex, pregnancy or pregnancy-related conditions, sexual orientation, gender identity, disability, marital status, familial status, domestic violence victim status, prior arrest or conviction record, military status or predisposing genetic characteristics.

The Human Rights Law may also require reasonable accommodation for persons with disabilities and pregnancy-related conditions. A reasonable accommodation is an adjustment to a job or work environment that enables a person with a disability to perform the essential functions of a job in a reasonable manner. The Human Rights Law may also require reasonable accommodation in employment

on the basis of Sabbath observance or religious practices.

Generally, the Human Rights Law applies to:

- all employers of four or more people, employment agencies, labor organizations and apprenticeship training programs in all instances of discrimination or harassment;
- employers with fewer than four employees in all cases involving sexual harassment; and,
- any employer of domestic workers in cases involving sexual harassment or harassment based on gender, race, religion or national origin.

In accordance with Executive Order No. 177, the Bidder hereby certifies that it does not have institutional policies or practices that fail to address the harassment and discrimination of individuals on the basis of their age, race, creed, color, national origin, sex, sexual orientation, gender identity, disability, marital status, military status, or other protected status under the Human Rights Law.

Executive Order No. 177 and this certification do not affect institutional policies or practices that are protected by existing law, including but not limited to the First Amendment of the United States Constitution, Article 1, Section 3 of the New York State Constitution, and Section 296(11) of the New York State Human Rights Law.

WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law and shall comply with all requirements set forth in Article 8 or Article 9 of the Labor Law whichever Article applies.

NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 2878 of the Public Authorities Law, if this contract was awarded based upon the submission of bids, Contractor warrants, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further warrants that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to LIPA a non-collusive bidding certification on Contractor's behalf.

INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, Contractor agrees, as a material condition of the contract, that neither Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC app. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

SET-OFF RIGHTS. LIPA shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, LIPA's option to withhold for the purposes of set-off any moneys due to Contractor under this contract up to any amounts due and owing to LIPA with regard to this contract, any other contract with LIPA, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to LIPA for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. LIPA shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by LIPA, its representatives, or the State Comptroller.

RECORDS. Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "*the Records*"). The Records must be kept for six (6) years following the expiration or earlier termination of the contract. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. LIPA shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "*Statute*") *provided* that: (i) Contractor shall timely inform LIPA in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

DISCLOSURE OF LIPA RECORDS OR INFORMATION. If any third party requests that Contractor disclose LIPA records or information, as defined in subdivision 4 of section 86 of the Public Officers Law, to the extent permitted by law, Contractor shall notify LIPA of such request and LIPA shall determine, in accordance with Chapter 39 of the Laws of 2010, whether such LIPA records or information may be disclosed.

EQUAL EMPLOYMENT FOR MINORITIES AND WOMEN. In accordance with Section 312 of the New York Executive Law: (i) Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status and shall undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; (ii) at the request of LIPA, Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status and that such union or representative will affirmatively cooperate in the implementation of Contractor's obligations herein; and (iii) Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of this Agreement, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status. Contractor shall include the provisions of (i), (ii) and (iii) above, in every subcontract over twenty-five thousand dollars (\$25,000.00) for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "*Work*") except where the Work is for the beneficial use of Contractor.

MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES. It is the policy of the Authority to provide Minority and Women-Owned Business Enterprises (M/WBEs) the greatest practicable opportunity to participate in the Authority's contracting activity for the procurement of goods and services. To effectuate this policy, Contractor shall comply with the provisions of this Schedule A and the provisions of Article 15-A of the New York Executive Law. The Contractor will employ good faith efforts to achieve the below-stated M/WBE Goals set for this contract, and will cooperate in any efforts of the Authority, or any government agency which may have jurisdiction, to monitor and assist Contractor's compliance with the Authority's M/WBE program.

Minority-Owned Business Enterprise (MBE) Subcontracting 0%

Women-Owned Business Enterprise (WBE) Subcontracting Goal 0%

Waivers shall only be considered in accordance with the provisions of Article 15-A of the Executive Law.

To help in complying, Contractor may inspect the current New York State Certification Directory of Minority and Women Owned Businesses, prepared for use by state agencies and contractors in complying with Executive law Article 15-A, (the Directory) at the same location where the Authority's bid document or request for proposals may be obtained or inspected and also at the Authority's office at 333 Earle Ovington Boulevard, Suite 403, Uniondale, NY 11553. In addition, printed or electronic copies of the Directory may be purchased from the New York State Department of Economic Development, Minority and Women's Business Division.

If requested, Contractor shall submit within ten (10) days of such request, a complete Utilization Plan, which shall include identification of the M/WBEs which the Contractor intends to use; the dollar amount of business with each such M/WBE; the Contract Scope of Work which the Contractor intends to have performed by such M/WBEs; and the commencement and end dates of such performance. The Authority will review the plan and, within twenty (20) days of its receipt, issue a written acceptance of the plan or comments on deficiencies in the plan.

The Contractor shall include in each Subcontract, in such a manner that the provisions will be binding upon each Subcontractor, all of the provisions herein including those requiring Subcontractors to make a good faith effort to solicit participation by M/WBEs.

If requested, the Contractor shall submit monthly compliance reports regarding its M/WBE utilization activity. Reports are due on the first business day of each month, beginning thirty (30) days after Contract award.

The Contractor shall not use the requirements of this section to discriminate against any qualified company or group of companies.

CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Section 2880 of the Public Authorities Law and the guidelines adopted by LIPA thereto.

PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165 (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of Contractor to establish to meet with the approval of the State. In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of Contractor to meet with the approval of the State.

MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the New York Laws of 1992), Contractor hereby stipulates that Contractor either (i) has no business operations in Northern Ireland, or (ii) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Article 165 of, the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts. Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
One Commerce Plaza
Albany, New York 12245

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Minority and Women's Business Development Division
One Commerce Plaza
Albany, New York 12245

The Omnibus Procurement Act of 1992 requires that by signing this Agreement, Contractor certifies that:

(a) Contractor has made commercially reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and woman-owned business enterprises, on this Project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended; and

(c) Contractor agrees to make commercially reasonable efforts to provide notification to New York State residents of employment opportunities on this Project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. Contractor agrees to document these efforts and to provide said documentation to the State upon request.

(d) Contractor acknowledges that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

RECIPROCITY AND SANCTIONS PROVISIONS. Contractor is hereby notified that if its principal place of business is located in a state that penalizes New York State vendors, and if the goods or services it offers are substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 amendments (Chapter 684, Laws of 1994) require that Contractor be denied contracts which it would otherwise obtain.

PURCHASES OF APPAREL. In accordance with State Finance Law 162 (4-a), LIPA shall not purchase any apparel from any Contractor unable or unwilling to certify that: (i) such apparel was manufactured in compliance with all applicable labor and occupational safety laws, including, but not limited to, child labor laws, wage and hours laws and workplace safety laws, and (ii) Contractor will supply, with its bid (or, if not a bid situation, prior to or at the time of signing a contract with LIPA), if known, the names and addresses of each subcontractor and a list of all manufacturing plants to be utilized by the bidder.

CONTRACTOR AFFIRMATION OF COMPLIANCE AND CERTIFICATION OF DISCLOSURE. Contractor affirms that it understands and agrees to comply with the procedures of the Governmental Entity relative to permissible contacts as required by the State Finance Law § 139-j (3) and § 139-j (6)(b). Furthermore, Contractor certifies that the information disclosed pursuant to State Finance Law § 139-k (5) is complete true and accurate.

OPTIONAL TERMINATION BY THE AUTHORITY. LIPA reserves the right to terminate this contract in the event it is found that the certification filed by Contractor in accordance with New York State Finance Law § 139-k was intentionally false or intentionally incomplete. Upon such finding, LIPA may exercise its termination right by providing written notification to Contractor in accordance with the written notification terms of the contract.

CONTINGENT FEES. Contractor hereby certifies and agrees that (a) Contractor has not employed or retained and will not employ or retain any individual or entity for the purpose of soliciting or securing any LIPA contract or any amendment or modification thereto pursuant to any agreement or understanding for receipt of any form of compensation which in whole or in part is contingent or dependent upon the award of any such contract or any amendment or modification thereto; and (b) Contractor will not seek or be paid an additional fee that is contingent or dependent upon the completion of a transaction by LIPA.

NONPUBLIC PERSONAL INFORMATION. Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208). Contractor shall be liable for the costs associated with such breach if

caused by Contractor's negligent or willful acts or omissions, or the negligent or willful acts or omissions of the Contractor's agents, officers, employees or subcontractors.

IRAN DIVESTMENT ACT CERTIFICATION. Contractor certifies under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. In addition, Contractor agrees that no person on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law will be utilized as a subcontractor on this contract.

SEXUAL HARASSMENT PREVENTION CERTIFICATION. In accordance with New York State Finance Law Section 139-L, Contractor certifies that: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that the bidder has and has implemented a written policy addressing sexual harassment prevention in the workplace and provides annual sexual harassment prevention training to all of its employees. Such policy shall, at a minimum, meet the requirements of" New York State Labor Law Section 201-g.

ADMISSIBILITY OF REPRODUCTION OF CONTRACT. Notwithstanding the best evidence rule or any other legal principle or rule of evidence to the contrary, the Contractor acknowledges and agrees that it waives any and all objections to the admissibility into evidence at any court proceeding or to the use at any examination before trial of an electronic reproduction of this contract, in the form approved by the State Comptroller, if such approval was required, regardless of whether the original of said contract is in existence.

The enclosed electronic (PDF) document has been created by scanning an original paper document. Optical Character Recognition (OCR) has been used to create searchable text. OCR technology is not perfect, and therefore some words present in the original document image may be missing, altered or may run together with adjacent words in the searchable text.

AMENDED AND RESTATED REIMBURSEMENT AGREEMENT

AMENDED AND RESTATED REIMBURSEMENT AGREEMENT

between

LONG ISLAND POWER AUTHORITY

and

TD BANK, N.A.

dated as of December 1, 2020

Relating to:
\$200,000,000

Long Island Power Authority
Electric System General Revenue Notes, Series 2015 GR-1

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1.	Definitions.....	2
Section 1.2.	Accounting Terms.....	14
Section 1.3.	Terminology.....	15

ARTICLE II

LETTER OF CREDIT; FEES

Section 2.1.	Amount and Terms of Letter of Credit	15
Section 2.2.	Fees	16
Section 2.3.	Expenses	16
Section 2.4.	Manner and Time of Payment.....	16
Section 2.5.	Application of Funds.....	17
Section 2.6.	Substitute Letter of Credit.....	17
Section 2.7.	Interest on Unreimbursed Amounts and Bank Loans	17
Section 2.8.	Payment of Unreimbursed Amounts.....	18
Section 2.9.	Payment Due on Non-Business Day to Be Made on Next Business Day	19
Section 2.10.	Late Payments	19
Section 2.11.	Source of Funds	19
Section 2.12.	Letter of Credit Conclusive.....	19
Section 2.13.	Increased Costs	19
Section 2.14.	Absolute Obligations	21
Section 2.15.	Electric System General Revenue Notes Operations.....	22
Section 2.16.	The Bank Note	22
Section 2.17.	Failure to Extend.....	23

ARTICLE III

CONDITIONS PRECEDENT

Section 3.1.	Closing Documents	23
Section 3.2.	Representations Correct; No Default; Conditions to Bank Loans	24

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY

Section 4.1.	Organization.....	25
Section 4.2.	Authorization, Conflicts, Binding Effect	25
Section 4.3.	Litigation; Adverse Facts	26

Section 4.4.	Title to Properties; Liens.....	26
Section 4.5.	Disclosure	26
Section 4.6.	Payment of Taxes.....	26
Section 4.7.	Disclosure Materials	27
Section 4.8.	Authority Documents; Subsidiary Documents	27
Section 4.9.	Reaffirmation of Representations and Warranties	27
Section 4.10.	Regulatory Compliance	27
Section 4.11.	Registration, Consent and Approval	27
Section 4.12.	Liens.....	27
Section 4.13.	Sovereign Immunity.....	28
Section 4.14.	No Default.....	28
Section 4.15.	ERISA	28
Section 4.16.	Enforceability.....	28
Section 4.17.	No Default under Other Agreements	29
Section 4.18.	Status under Certain Laws	29
Section 4.19.	Environmental Law.....	29
Section 4.20.	General Resolution.....	29
Section 4.21.	Interest.....	30
Section 4.22.	Financial Information.....	30

ARTICLE V

AFFIRMATIVE COVENANTS OF THE AUTHORITY

Section 5.1.	Maintenance of Existence, Etc.....	30
Section 5.2.	Access and Reporting	30
Section 5.3.	Further Assurances.....	33
Section 5.4.	Application of Proceeds.....	33
Section 5.5.	Compliance with Legal Requirements.....	33
Section 5.6.	Payment of Debt	33
Section 5.7.	Authority Documents.....	33
Section 5.8.	Rate Covenant.....	34
Section 5.9.	Creation of Debt and Liens	34
Section 5.10.	Maintenance of Insurance	34
Section 5.11.	ERISA	35
Section 5.12.	Compliance with Laws, Etc	35
Section 5.13.	Taxes.....	35
Section 5.14.	Maintenance of Rate Stabilization Fund.....	37
Section 5.15.	Covenants of Subsidiary	37
Section 5.16.	Sovereign Immunity.....	38
Section 5.17.	Environmental Covenant	38
Section 5.18.	Investment of Funds.....	38
Section 5.19.	Ratings	38
Section 5.20.	PILOT	39
Section 5.21.	Credit Facilities.....	39
Section 5.22.	Dealers	39
Section 5.23.	Licenses and Permits.....	39

Section 5.24.	Access to Commercial Paper Reporting System	40
Section 5.26.	Maintenance of Ratings	40

ARTICLE VI

NEGATIVE COVENANTS OF THE AUTHORITY

Section 6.1.	Negative Covenants	40
Section 6.2.	Acquisitions	42
Section 6.3.	Substitute Credit Facility	43
Section 6.4.	Mergers, Consolidations and Sales	43
Section 6.5.	Transactions with Affiliates	44
Section 6.6.	Tax Covenant	44
Section 6.7.	No Debt to Be Issued by LIPA Subsidiary	44
Section 6.8.	No Disposition of LIPA Subsidiary	44
Section 6.9.	Offering Documents.....	44
Section 6.10.	GR Note Maturity	44

ARTICLE VII

DEFAULT; EVENTS OF DEFAULT AND REMEDIES

Section 7.1.	Events of Default	45
Section 7.2.	Remedies	48
Section 7.3.	Set Off.....	49
Section 7.4.	Remedies Cumulative	49

ARTICLE VIII

MISCELLANEOUS

Section 8.1.	Notices	49
Section 8.2.	Amendments, Waivers, Etc.....	51
Section 8.3.	Indemnification	52
Section 8.4.	Liability of the Bank	52
Section 8.5.	Successors and Assigns.....	53
Section 8.6.	Governing Law	53
Section 8.7.	Survival of Warranties	53
Section 8.8.	Severability	53
Section 8.9.	Counterparts	54
Section 8.10.	Time of Essence	54
Section 8.11.	Headings	54
Section 8.12.	Independence of Covenants	54
Section 8.13.	Current Rating.....	54
Section 8.14.	Entire Agreement.....	54
Section 8.15.	No Personal Liability	54
Section 8.16.	Usury.....	55

Section 8.17.	Participations.....	55
Section 8.18.	Discretion of Bank as to Manner of Funding.....	56
Section 8.19.	No Waiver, Remedies	56
Section 8.20.	Comptroller’s Approval; Standard Clauses	56
Section 8.21.	USA Patriot Act	56
Section 8.22.	Anti-Money Laundering; OFAC; Patriot Act	56
Section 8.23.	Assignment to Federal Reserve Bank	57
Section 8.24.	Waiver of Jury Trial; Consent to Jurisdiction and Venue.....	58
Section 8.25.	Redaction	58
Section 8.26.	No Fiduciary Relationship	58
Section 8.27.	Arm’s Length Transaction	58
Section 8.28.	Amendment and Restatement	59

Exhibit A	— Form of Letter of Credit
Exhibit B	— Form of Bank Note
Exhibit C	— Form of Certificate of Authority
Exhibit D	— Form of Certificate of LIPA Subsidiary
Exhibit E	— Form of Opinion of Bond Counsel
Exhibit F	— Form of Opinion of Counsel to the Authority and LIPA Subsidiary

Appendix A	— Standard Clauses
------------	--------------------

Fee Annex

AMENDED AND RESTATED REIMBURSEMENT AGREEMENT

This AMENDED AND RESTATED REIMBURSEMENT AGREEMENT dated as of December 1, 2020, between LONG ISLAND POWER AUTHORITY, a corporate municipal instrumentality of the State of New York (the “Authority”), and TD BANK, N.A. (together with its successors and assigns, the “Bank”),

WITNESSETH:

WHEREAS, the Authority has authorized the issuance from time to time of its Electric System General Revenue Notes designated as the Electric System General Revenue Notes, Series 2015 GR-1 (the “2015 GR-1 Notes”), which may be issued in either of two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-1 (Federally Taxable)” (the “2015 GR-1 Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-1 (Tax-Exempt)” (the “Series 2015 GR-1 Tax-Exempt Notes”) in the aggregate principal amount of up to \$200,000,000 (i) for the payment of certain costs of system improvements and (ii) to pay costs relating to the issuance of the 2015 GR-1 Notes;

WHEREAS, the 2015 GR-1 Notes were issued pursuant to the Long Island Power Authority Act, being Title 1-A of Article 5 (§1020 et. seq.) of the Public Authorities Law of the State of New York, as amended (the “Act”), the General Resolution (as hereinafter defined), and a Second Amended and Restated Certificate of Determination, dated the Closing Date (the “Certificate of Determination”);

WHEREAS, in order to support the payment of the 2015 GR-1 Notes as the same shall become due and payable pursuant to the provisions of the GR Resolution (as hereinafter defined), the Authority and the Bank have entered into a Reimbursement Agreement dated as of May 1, 2015 (as amended to date, the “Original Reimbursement Agreement”), pursuant to the terms of which the Bank has issued in favor of the Issuing and Paying Agent (as hereinafter defined), for the account of the Authority and for the benefit of the holders from time to time of the 2015 GR-1 Notes, its Irrevocable Letter of Credit No. [REDACTED] substantially in the form attached hereto as Exhibit A (the “Letter of Credit”) in the initial stated amount of \$215,277,778;

WHEREAS, the Letter of Credit has been issued as a Note Credit Facility (as hereinafter defined) pursuant to Article IV of the GR Resolution;

WHEREAS, the Authority has requested that the Bank extend the Stated Expiration Date of the Letter of Credit according to the terms thereof and the Authority and the Bank desire to amend and restate the Original Reimbursement Agreement (as hereinafter defined) in connection with such extension;

WHEREAS, in order to induce the Bank to extend the Stated Expiration Date of the Letter of Credit, the Authority has agreed to reimburse the Bank for all amounts advanced by it under the Letter of Credit and to pay interest on such amounts as well as certain costs, fees and expenses, all as provided herein;

WHEREAS, Section 8.2 of the Original Reimbursement Agreement provides that it may be amended in writing by the parties, subject to approval by the New York Attorney General and New York State Comptroller;

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants contained herein, and in order to induce the Bank to issue the Letter of Credit, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. For purposes of this GR Reimbursement Agreement, capitalized terms used herein which are not defined herein have the meanings set forth in the General Resolution. In addition, the following terms have the following meanings:

“Act” has the meaning set forth in the recitals hereto.

“Alternate Credit Facility” means a letter of credit or similar obligation, arrangement, or instrument issued or provided by a bank, insurance company, or other financial institution that provides (to the extent and subject to the terms and conditions set forth therein) credit enhancement for payment of principal of and interest on the 2015 GR-1 Notes when the same become due and payable during the term thereof and is issued in substitution for the Letter of Credit in accordance with, and pursuant to, Section 6.3 hereof, as the same may be amended or supplemented from time to time.

“Alternate Liquidity Facility” means a letter of credit or similar obligation, arrangement, or instrument issued or provided by a bank, insurance company, or other financial institution that provides (to the extent and subject to the terms and conditions set forth therein) liquidity support for payment of principal of and interest on the 2015 GR-1 Notes when the same become due and payable during the term thereof and is issued in substitution for the Letter of Credit in accordance with, and pursuant to, Section 6.3 hereof, as the same may be amended or supplemented from time to time.

“Authority Budget” has the meaning set forth in the General Resolution.

“Authority Documents” means (a) the General Resolution, (b) the GR Resolution, (c) the Issuing and Paying Agency Agreement, (d) the Dealer Agreement, (e) the 2015 GR-1 Notes, (f) the Bank Note, (g) this GR Reimbursement Agreement, (h) each of the Bank Documents to the extent the Authority is a party thereto, (i) the Financing Agreement, and (j) any other instrument or document to which the Authority is a party relating to the transactions, contemplated by any of the foregoing documents.

“Authorized Representative” means in the case of both the Authority and the LIPA Subsidiary, their respective Chairman, Chief Executive Officer, Chief Financial Officer, Controller or Chief Operating Officer, or such other person or persons so designated by resolution of the Authority or the LIPA Subsidiary, as the case may be.

“Balloon Debt” means Debt, 25% or more of the original principal of which matures during any consecutive twelve (12) month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption or mandatory prepayment prior to such twelve (12) month period; *provided* that in no event shall the term “Balloon Debt” include Unreimbursed Amounts or Bank Loans made hereunder or Debt that would otherwise be classified hereunder as “Put Debt.”

“Bank” has the meaning set forth in the introductory paragraph hereof.

“Bank Agreement” has the meaning set forth in Section 5.21 hereof.

“Bank Documents” means (a) this GR Reimbursement Agreement, (b) the Letter of Credit, and (c) all certificates, opinions, financing statements and other documents or instruments made or delivered in accordance with any of the foregoing agreements, each as amended from time to time in accordance with their respective terms and with this GR Reimbursement Agreement.

“Bank Loan” means the amount of each Drawing which has been converted into a term loan in accordance with the provisions of Section 2.8(a) hereof.

“Bank Note” has the meaning set forth in Section 2.16 hereof.

“Bank Rate” means the rate of interest per annum with respect to the Unreimbursed Amount of any Drawing or the related Bank Loan: (i) for any day commencing on the date the related Drawing is made up to and including the ninetieth (90th) day next succeeding the date the related Drawing is made, equal to the Base Rate from time to time in effect and (ii) for any day commencing on or after the ninety-first (91st) day next succeeding the date the related Drawing is made, equal to the Term Loan Rate from time to time in effect; provided, however, that in no event shall the Bank Rate be less than the per annum interest rate applicable to the 2015 GR-1 Notes then outstanding; provided further, however, that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, “Bank Rate” shall mean the Default Rate.

“Base Rate” means, for any day, a fluctuating rate of interest equal to the greatest of (i) the Prime Rate in effect at such time *plus* one and a half percent (1.50%), (ii) the Federal Funds Rate in effect at such time *plus* two percent (2.00%), and (iii) seven and one and a half percent (7.50%). Each determination of the Base Rate by the Bank shall be conclusive and binding on the Authority absent manifest error.

“Basel III” means “Basel III - A Global Regulatory Framework for More Resilient Banks and Banking Systems, December 2010” and “Basel III - International Framework for Liquidity Risk Measurement Standards and Monitoring, December 2010” promulgated by the Basel Committee on Banking Supervision, as the same may be amended from time to time.

“Bond Counsel” means (i) Hawkins Delafield & Wood LLP or (ii) another attorney or firm of attorneys nationally recognized in the area of municipal bonds which shall be acceptable to the Bank.

“Bond Rating Evidence” has the meaning set forth in Section 3.1(g) hereof.

“Bonds” means and includes all “Bonds” as defined in the General Resolution.

“Business Day” means any day of the year on which banks in New York, New York or the presentation office of the Bank at which Drawings are presented are not required or authorized to remain closed and on which the Issuing and Paying Agent, the Bank, the New York Stock Exchange, Inc. and the Federal Reserve Bank are open.

“Capital Lease” has the meaning set forth in the General Resolution.

“Capitalized Interest” has the meaning set forth in the General Resolution.

“CERCLA” has the meaning set forth in Section 4.19 hereof.

“Certificate of Determination” means the Second Amended and Restated Certificate of Determination, dated the Closing Date, executed by the Authority and pertaining to the 2015 GR-1 Notes.

“Closing Date” means the date on which the Stated Expiration Date of the Letter of Credit is extended pursuant to the terms hereof and on which the Original Reimbursement Agreement is amended and restated hereby, subject to the satisfaction or waiver by the Bank of all of the conditions precedent set forth in Section 3.1 hereof.

“Code” means the Internal Revenue Code of 1986, as amended, and any successor statute thereto.

“Controlled Group” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Authority, are treated as a single employer under Section 414 of the Code.

“Conversion Date” has the meaning set forth in Section 2.8(a) hereof.

“Credit Facility” has the meaning set forth in the General Resolution.

“Dealer” means the Person performing the functions of a dealer pursuant to a Dealer Agreement.

“Dealer Agreement” means the agreement or agreements to be entered into between the Authority and the dealer or dealers relating to the sale of the 2015 GR-1 Notes, as amended from time to time, or such other dealer agreement as may be entered into by the Authority in substitution therefor.

“Debt” of any Person means (without duplication), all liabilities, obligations and indebtedness of such Person (i) for borrowed money, (ii) evidenced by bonds, indentures, notes or other similar instruments (other than instruments endorsed by such Person for collection or deposit in the ordinary course of business), (iii) to pay the deferred purchase price of property or services, except trade accounts payable in the ordinary course of business, (iv) as lessee under

leases that shall have been or should be, in accordance with GAAP, recorded as capital leases, (v) under reimbursement agreements or similar agreements with respect to the issuance of letters of credit (other than obligations in respect of letters of credit (to the extent undrawn) opened to provide for the payment of goods or services purchased or other obligations incurred in the ordinary course of business), (vi) under direct guaranties and indemnities in respect of, and to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, or to assure an obligee against failure to make payment in respect of, liabilities, obligations or indebtedness of others of the kinds referred to in clauses (i) through (v) above, in each case to the extent reasonably quantifiable, and (vii) liabilities in respect of unfunded vested benefits under plans covered by Title IV of ERISA; *provided, however*, that “Debt” shall not include indebtedness related to Separately Financed Projects.

“Debt Rating” means the long-term unenhanced, unsecured debt ratings assigned by the Rating Agencies to any Bonds or other senior lien debt of the Authority.

“Debt Service” means, for any period, without duplication, the sum of the amounts required for such period to pay principal of, to fund any sinking fund requirements for, and to pay interest (except to the extent such interest is to be paid from Capitalized Interest) on Bonds or Subordinated Indebtedness.

The following assumptions apply in determining Debt Service:

(i) Balloon Debt. Balloon Debt shall be deemed (A) to amortize in equal amount installments over a term of twenty (20) years, and (B) to bear interest on the unpaid principal balance in the manner assumed for Variable Rate Debt.

(ii) Put Debt. Put Debt shall be deemed (A) to mature over a term (commencing on such Put Date) equal to twenty (20) years less the number of years (counting fractions of any year as a whole year) to elapse between the date such Put Debt is incurred and such Put Date, (B) to bear interest on the unpaid principal balance in the manner assumed for Variable Rate Debt and (C) to be payable as to principal in equal amount installments.

(iii) Variable Rate Debt. In determining the amount of interest payable on Variable Rate Debt for any future period (the “Determination Period”), such interest shall be computed by assuming that the rate of interest applicable to the Determination Period is equal to the greatest of (A) the rate or rates which were assumed by the Authority in the Authority Budget for such Determination Period to be borne by Variable Rate Debt during such Determination Period, (B) the average of the rate of interest which was in effect on the last day of each of the six consecutive full calendar months (or if such Variable Rate Debt shall have been outstanding less than six months, the lesser number of full calendar months for which such Variable Rate Debt shall have been outstanding) immediately preceding the calendar month in which such calculation is made, and (C) an interest rate calculated by multiplying 1.15 times the weighted average of the rate or rates borne by such Variable Rate Debt for each day during the thirty-day period immediately preceding the date of calculation; *provided, however*, that if the Authority has in connection with any Variable Rate Debt entered into a Financial Contract which provides

that the Authority is to pay to the Qualified Counterparty an amount determined based upon a fixed rate of interest on the outstanding principal amount of such Variable Rate Debt or that the Qualified Counterparty is to pay to the Authority an amount determined based upon the amount by which the rate at which such Variable Rate Debt bears interest exceeds a stated rate of interest on all or any portion of such Variable Rate Debt, it will be assumed that such Variable Rate Debt bears interest at the fixed rate of interest to be paid by the Authority or the rate in excess of which the Qualified Counterparty is to make payment to the Authority in accordance with such agreement.

“Debt Service Component” has the meaning set forth in the General Resolution.

“Debtor Relief Laws” means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default Rate” means a fluctuating per annum rate of interest equal to the sum of the Base Rate from time to time in effect plus three percent (3.00%).

“Disclosure Materials” means the Offering Memorandum, and any amendments or supplements thereto relating to the 2015 GR-1 Notes.

“Documents” means the Bank Documents and the Authority Documents.

“Dodd Frank Act” means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

“Drawing” means a drawing under the Letter of Credit in accordance with its terms to pay the principal of and interest on the 2015 GR-1 Notes.

“Embargoed Person” has the meaning set forth in Section 8.22 hereof.

“EMMA” has the meaning set forth in Section 8.25 hereof.

“Environmental Laws” has the meaning set forth in Section 4.19 hereof.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Event of Default” has the meaning set forth in Section 7.1 hereof.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that: (a) if such day is not a Business Day, then the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day; and (b) if no such rate is so published on such next succeeding Business Day, then

the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of one-hundredth of one percent) charged to the Bank on such day on such transactions as determined by the Bank. Each determination of the Federal Funds Rate by the Bank shall be deemed conclusive and binding on the Authority, absent manifest error.

“Final Drawing” means a Drawing honored by the Bank under the Letter of Credit in connection with a Final Drawing Notice.

“Final Drawing Notice” means a Final Drawing Notice substantially in the form of the certificate attached to the Letter of Credit as Annex H.

“Financial Contract” has the meaning set forth in the General Resolution.

“Financing Agreement” means the Financing Agreement, dated as of May 1, 1998, as amended and supplemented, between the Authority and the LIPA Subsidiary.

“Fiscal Year” means the fiscal year used by the Authority, which, as of the Closing Date, is for the period from and including January 1 to and including December 31.

“Fitch” means Fitch Ratings, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority and approved by the Bank (which shall not be under any liability by reason of such approval).

“GAAP” means generally accepted accounting principles in the United States as in effect from time to time, applied on a basis consistent with those used in preparation of the audit report referred to in Section 5.2 hereof.

“General Resolution” means the Electric System General Revenue Bond Resolution adopted by the Authority on May 13, 1998, as supplemented and amended, including as supplemented by the GR Resolution, and as may be further amended and supplemented from time to time in accordance with the terms hereof and thereof.

“Governmental Authority” means any nation or government, any state, department, agency or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government.

“Governmental Body” means the United States of America or any state or political subdivision thereof, any other nation or political subdivision thereof or any agency, department, commission, board, bureau or instrumentality of any of them which exercises jurisdiction over the Authority or any of its Subsidiaries or any of their assets or the conduct of the business of the Authority or any of its Subsidiaries in any such jurisdiction.

“Governmental Requirements” means any law, ordinance, order, rule or regulation by a Governmental Body.

“GR Reimbursement Agreement” means this Amended and Restated Reimbursement Agreement, as amended, modified or restated from time to time in accordance with its terms, including the Fee Annex attached hereto and all of the Exhibits attached hereto, all of which are incorporated herein by this reference and made a part hereof. When used in the plural, “GR Reimbursement Agreements” means this Reimbursement Agreement and any other similar agreement entered into with respect to any other Electric System General Revenue Notes pursuant to the GR Resolution.

“GR Resolution” means the resolution entitled “Amended and Restated Twenty-Third Supplemental Electric System General Revenue Bond Resolution,” adopted by the Authority on July 26, 2017, which amends and restates the Twenty-Third Supplemental Electric System General Revenue Bond Resolution adopted by the Authority on August 6, 2014, as it may be further amended and supplemented, and includes the Certificate of Determination.

“Holders” means the Holders of 2015 GR-1 Notes.

“Incorporated Provisions” has the meaning set forth in Section 5.21 hereof.

“Indemnitees” has the meaning set forth in Section 8.3 hereof.

“Initial Stated Amount” has the meaning set forth in Section 2.1(a) hereof.

“Interest Component” has the meaning set forth in the Letter of Credit.

“Issuing and Paying Agent” means the issuing and paying agent appointed under the Issuing and Paying Agency Agreement with the consent of the Bank and any successor thereto as shall be appointed pursuant to the Issuing and Paying Agency Agreement.

“Issuing and Paying Agency Agreement” means the Amended and Restated Issuing and Paying Agency Agreement, dated as of January 1, 2018, between the Authority and the Issuing and Paying Agent relating to the 2015 GR-1 Notes, as the same may be amended and supplemented from time to time in accordance with the terms thereof and hereof.

“Legal Action” has the meaning set forth in Section 4.3 hereof.

“Legal Requirements” applicable to any Person means (a) all decisions, statutes, ordinances, rulings, directions, rules, regulations, orders, writs, decrees, injunctions, permits, certificates treaties, conventions, laws, licenses, governmental approvals, judgments, consent decrees or other requirements of any court or other Governmental Authority in any way applicable to or affecting such property, such transaction or such Person or its business operations, or assets, (b) all such Person’s bylaws (or code or regulations) and articles of incorporation or partnership, limited partnership, joint venture, trust, or other form of business association agreement, and (c) all other written contractual obligations of any nature applicable to or affecting such property or such person.

“Letter of Credit” has the meaning set forth in the recitals hereto.

“Letter of Credit Fee” has the meaning set forth in the Fee Annex.

“Lien” means any mortgage, deed of trust, lien, security interest, assignment, pledge, charge, hypothecation or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale or other title retention arrangement.

“LIPA Subsidiary” means the Long Island Lighting Company d/b/a LIPA, as successor to LIPA Acquisition Corp.

“Losses” means liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements (including, without limitation, reasonable and necessary attorneys’ fees and expenses).

“Material Adverse Effect” means (a) any material adverse effect on the properties, assets, condition (financial or otherwise), results of operations or business prospects of the Authority and the LIPA Subsidiary taken as a whole, and (b) with respect to the obligations of the Authority or the LIPA Subsidiary under the Documents, a material adverse effect upon the Authority’s or the LIPA Subsidiary’s ability to perform its obligations hereunder.

“Maturity Date” means, with respect to any Bank Loan and the Bank Note, the earliest to occur of: (i) the third anniversary of the date of the Drawing relating to such Bank Loan, (ii) the date on which an Alternate Credit Facility or Alternate Liquidity Facility becomes effective in substitution of the Letter of Credit, (iii) the date on which the Stated Amount is permanently reduced to zero or the Letter of Credit is otherwise terminated (other than as a result of the Letter of Credit expiring on the Stated Expiration Date), including as a result of an Event of Default and (iv) the Business Day on which commercial paper notes or bonds the proceeds of which are available to fund the repayment of any Bank Loan are sold.

“Maximum Rate” means the maximum non-usurious lawful rate of interest permitted by applicable law.

“Moody’s” means Moody’s Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority and approved by the Bank (which shall not be under any liability by reason of such approval).

“Note Credit Facility” has the meaning set forth in the GR Resolution.

“Notice of No Issuance” means a Notice of No Issuance substantially in the form of the certificate attached to the Letter of Credit as Annex F.

“OFAC” has the meaning set forth in Section 8.22(b) hereof.

“Offering Memorandum” means the offering memorandum relating to the issuance and sale of the 2015 GR-1 Notes, including any supplement or amendment to such offering memorandum.

“Operating Agreements” means (i) the Operations Services Agreement; (ii) the Amended and Restated Power Supply Agreement between the LIPA Subsidiary and National Grid Generation LLC, dated as of October 2, 2012; and (iii) the Energy Management Agreement between the LIPA Subsidiary and Pace Global Energy Management, dated as of January 1, 2010.

“Operations Services Agreement” means the Amended and Restated Operations Services Agreement between the LIPA Subsidiary and PSEG Long Island LLC, dated as of December 31, 2013, as amended and supplemented.

“Original Bank Note” means the “Bank Note” as defined in the Original Reimbursement Agreement.

“Original Closing Date” means June 30, 2015.

“Original Reimbursement Agreement” has the meaning given in the recitals hereto.

“Outstanding” has the meaning set forth in the General Resolution.

“Parity Contract Obligations” has the meaning set forth in the General Resolution.

“Parity Obligations” has the meaning set forth in the General Resolution.

“Parity Reimbursement Obligations” has the meaning set forth in the General Resolution.

“Participant” means any financial institution or other Person now or hereafter directly or indirectly participating in the rights and obligations of the Bank pursuant to Section 8.17 hereof.

“Patriot Act” has the meaning set forth in Section 8.21 hereof.

“Payment Obligations” means any and all obligations of the Authority to pay or reimburse the Bank contained in or evidenced by any Authority Document, including, without limitation, obligations to reimburse the Bank for all Drawings under the Letter of Credit, all obligations to repay the Bank for any Unreimbursed Amount and any Bank Loan, including all interest accrued thereon, all amounts owing under the Bank Note, the fees relating to the Letter of Credit and all other obligations of the Authority to the Bank arising under, or in relation to, or evidenced by, this GR Reimbursement Agreement or the Bank Note.

“PBGC” means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

“Permissible Investments” means any of the Investment Securities defined in the General Resolution, if and to the extent (i) such Investment Securities constitute legal investments for the funds held under the General Resolution, and (ii) such Investment Securities conform to the policies set forth in any investment guidelines adopted by the Authority and in effect at the time of the making of such investment.

“Permitted Subordinate Debt” means Debt of the Authority payable from or secured by a lien on Revenues that is subordinate to the payments provided for in, and the respective liens created by, the General Resolution and the Subordinated Resolution.

“Person” means an individual, a corporation, a partnership, an association, a limited liability company, a trust, joint venture, company or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

“PILOT” means any payments in lieu of taxes due and owing by the Authority or the LIPA Subsidiary in accordance with Section 1020-q of the Act or other applicable law.

“Plan” means, with respect to the Authority or any Subsidiary thereof at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained, or has within the preceding five plan years been maintained, by a member of the Controlled Group for employees of a member of the Controlled Group of which the Authority is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the Authority is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

“Potential Default” means any event or condition which, with the lapse of time, or giving of notice, or both, would constitute an Event of Default.

“Prime Rate” means, for any day, the prime rate in effect for such day as published in the Wall Street Journal, or, if such rate shall be unavailable for any reason, the base, reference or other rate then designated by the Bank, in its sole discretion, for general commercial loan reference (it being understood that such rate shall not necessarily be the best or lowest rate of interest available to the Bank’s best or most preferred prime, large commercial customers)

“Principal Component” has the meaning set forth in the Letter of Credit.

“Privatization” means (i) any sale, transfer, lease (including, without limitation, any long-term lease or sale/lease and leaseback) or other disposition (whether in a single transaction or a series of transactions) of all or any substantial part of the System, the Property or other assets of the Authority or the LIPA Subsidiary to any private entity or private concern, that results in the Authority no longer owning or controlling the operation of the System, (ii) any sale or other disposition of, or encumbrance or grant of a security interest in, any common or preferred stock or other evidence of the Authority’s equity interest in any of its Subsidiaries, that results in the Authority and the LIPA Subsidiary no longer owning or effectively controlling the ownership and operation of the System, or (iii) the Authority or the LIPA Subsidiary transferring, ceding or losing control (whether by force of law, by contract or otherwise) of the ability to manage, determine or control the operations and management of the System or a substantial (as defined in Section 6.4(a) hereof) part of its Property and the services relating thereto (as in effect on the Original Closing Date); *provided that*, contracting with a third party service provider for management and operation services of the same types contracted for in the Operating Agreements shall not be deemed to be the transferring, ceding or loss of control of the ability of

the Authority or the LIPA Subsidiary to manage, determine or control the operations and management of the System or any substantial part of its Property and the services relating thereto so long as (x) such contract shall not provide such third party service provider or any Person other than the Authority and the LIPA Subsidiary with any legal, equitable, tax, beneficial or other ownership or leasehold interest in the System or in any other Property of the Authority or the LIPA Subsidiary or in any Revenues and (y) all additions to the System and other Property of the Authority or the LIPA Subsidiary purchased or constructed in conjunction or for the use with any part of the System or other Property of the Authority or the LIPA Subsidiary remains and shall be the property of the Authority or the LIPA Subsidiary. A Privatization shall be deemed to occur on the date the relevant action or event takes effect and not on the date of any contract or law providing for such action or event to become effective on a future date; *provided, further* that, Privatization shall not include (i) the optional capital additions permitted by the Service Provider (as such term is defined in the Operations Services Agreement) pursuant to Section 4.2(a)(7) of the Operations Services Agreement and (ii) capital additions made pursuant to Utility 2.0 plan required by Section 4.2(a)(5) of the Operations Services Agreement.

“Project” means the projects financed with the proceeds of the 2015 GR-1 Notes.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

“Put Debt” means Debt that is (i) payable or required to be purchased or redeemed by or on behalf of the underlying obligor, at the option of the owner thereof, prior to its stated maturity date or (ii) payable or required to be purchased or repurchased from the owner thereof by or on behalf of the underlying obligor (other than at the option of the owner) prior to its stated maturity, other than pursuant to any tax call, extraordinary mandatory redemption or prepayment, optional redemption or prepayment, mandatory sinking fund payments or other similar form of amortization.

“Qualified Counterparty” has the meaning set forth in the General Resolution.

“Quarterly Payment Date” means, with respect to any Bank Loan, (i) the date which is 180 days following the Drawing relating to such Bank Loan and (ii) the corresponding date in every third month thereafter occurring prior to the Maturity Date and on the Maturity Date with respect to such Bank Loan.

“Rate Consultant” has the meaning set forth in the General Resolution.

“Rate Stabilization Fund” has the meaning set forth in the General Resolution.

“Rate Stabilization Fund Requirement” has the meaning set forth in Section 5.14 hereof.

“Rating Agencies” means Fitch, Moody’s and S&P.

“Reimbursement Account” means the Long Island Power Authority 2015 GR-1 Reimbursement Account created and held by the Issuing and Paying Agent pursuant to the Issuing and Paying Agency Agreement.

“Reimbursement Obligations” means the obligations of the Authority under this GR Reimbursement Agreement to reimburse the Bank for Drawings under the Letter of Credit and all obligations to repay to the Bank any Unreimbursed Amount and/or any Bank Loan, including in each instance all interest accrued thereon in accordance with this GR Reimbursement Agreement.

“Required Deposits” has the meaning set forth in the General Resolution.

“Rescission of Notice of No Issuance” means a Rescission of Notice of No Issuance in substantially the form of the certificate attached to the Letter of Credit as Annex G.

“Revenues” has the meaning set forth in the General Resolution.

“S&P” means S&P Global Inc., a Standard & Poor’s Financial Services LLC business, and its successors and assigns, except that if such division shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority and approved by the Bank (which shall not be under any liability by reason of such approval).

“Separately Financed Projects” has the meaning set forth in the General Resolution.

“Series 2015 GR-1 Taxable Notes” has the meaning set forth in the recitals hereto.

“Series 2015 GR-1 Tax-Exempt Notes” has the meaning set forth in the recitals hereto.

“State” means the State of New York.

“Stated Amount” means the amount set forth in the Letter of Credit as the “Stated Amount,” as such amount is reduced and reinstated from time to time in accordance with the terms of the Letter of Credit.

“Stated Expiration Date” has the meaning set forth in the Letter of Credit.

“Subordinated Credit Facility” has the meaning set forth in the General Resolution.

“Subordinated Resolution” means the Electric System General Subordinated Revenue Bond Resolution adopted by the Authority on May 20, 1998, as amended and supplemented.

“Subordinated Indebtedness” has the meaning set forth in the General Resolution.

“Subsidiary” means, for any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such

Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person. Unless otherwise expressly provided herein, all references herein to a “Subsidiary” or “Subsidiaries” shall mean a Subsidiary or Subsidiaries of the Authority.

“Subsidiary Documents” means (a) the Financing Agreement and (b) any other document to which the LIPA Subsidiary is a party relating to this transaction.

“Subsidiary Unsecured Debt” means any Debt issued or incurred by or on behalf of the LIPA Subsidiary which is an unsecured obligation of the LIPA Subsidiary.

“Supply Contracts” has the meaning set forth in the General Resolution.

“System” has the meaning set forth in the General Resolution.

“System Agreements” has the meaning set forth in the General Resolution.

“Term Loan Rate” means the sum of the Base Rate from time to time in effect plus one and one half percent (1.50%).

“Termination Date” means the earlier of (a) the Stated Expiration Date of the Letter of Credit and (b) the date on which the Letter of Credit shall terminate pursuant to its terms or otherwise be terminated prior to the Stated Expiration Date.

“Trust Estate” means the Trust Estate as defined in the General Resolution.

“Trustee” means The Bank of New York Mellon, as trustee pursuant to the General Resolution, its successors and assigns, and any successor trustee appointed thereunder.

“Unreimbursed Amount” means with respect to the Letter of Credit, the amount of each Drawing on the Letter of Credit for which the Bank has not been reimbursed by or on behalf of the Authority, including, without limitation, the outstanding balance of all Bank Loans owing to the Bank.

“Variable Rate Debt” means Debt (which may also be Balloon Debt or Put Debt) the terms of which require or permit interest thereon for the period of time for which calculated to be borne at a varying or adjustable rate per annum or a formula rate.

Section 1.2. Accounting Terms. As used herein, all accounting terms not otherwise defined have the meanings assigned to them under GAAP. If, after the Closing Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 5.2 hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this GR Reimbursement Agreement, either the Authority by notice to the Bank, or the Bank by notice to the Authority, may require that the Bank and the Authority negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Authority and its Subsidiaries shall be the same as if such change had not been made. No delay by the Authority or the Bank in requiring such negotiation shall limit their right to so require such a negotiation at

any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles. Without limiting the generality of the foregoing, the Authority shall neither be deemed to be in compliance with any financial covenant hereunder nor out of compliance with any financial covenant hereunder if such state of compliance or noncompliance, as the case may be, would not exist but for the occurrence of a change in accounting principles after the date hereof.

Section 1.3. Terminology. References to “Articles,” “Sections,” “Subsections,” “Recitals,” and “Exhibits” shall be to articles, sections, subsections, recitals, and exhibits of this GR Reimbursement Agreement unless otherwise specifically provided. Any of the terms defined in this GR Reimbursement Agreement may be used in singular or plural form. As used herein, the singular includes the plural, and the masculine gender includes the feminine and neutral genders, and vice versa, unless the context clearly requires otherwise.

ARTICLE II

LETTER OF CREDIT; FEES

Section 2.1. Amount and Terms of Letter of Credit.

(a) The Bank agrees, on the terms and subject to the conditions hereinafter set forth and relying upon the representations and warranties set forth herein and incorporated into Section 4.9 hereof by reference, to extend the Stated Expiration Date of the Letter of Credit. The Letter of Credit was issued in an initial stated amount equal to \$215,277,778 (the “Initial Stated Amount”), representing the maximum principal amount of the 2015 GR-1 Notes in the amount of \$200,000,000 and interest thereon computed on the basis of an assumed interest rate of ten percent (10%) per annum for a period of 275 days and a year of 360 days. The Letter of Credit was issued to the Issuing and Paying Agent for the account of the Authority, and is substantially in the form of Exhibit A hereto, with such changes to such form as the Authority and the Bank have agreed are necessary or advisable.

(b) The Stated Expiration Date for the Letter of Credit is set forth in the Letter of Credit; provided that such date shall be subject to extension upon the request of the Authority and with the written consent of the Bank in its sole discretion. Any request made by the Authority shall be made by written notice to the Bank no earlier than one hundred eighty (180) days and no later than sixty (60) days prior to the then existing Stated Expiration Date and the Bank shall consent to or deny the request for extension within thirty (30) days following its receipt of the Authority’s request for extension. If for any reason the Bank fails to consent to or deny the Authority’s request for an extension, the request shall be deemed to be denied by the Bank.

(c) If the Stated Amount of the Letter of Credit is reduced or reinstated after any such reduction as provided in the Letter of Credit, the Bank may at its option, deliver to the Issuing and Paying Agent a substitute Letter of Credit duly issued by the Bank in an initial stated amount equal to the then current Stated Amount of the Letter of Credit as

so reduced or reinstated, as the case may be, as provided in the Letter of Credit (but otherwise having terms identical to the Letter of Credit) upon surrender by the Issuing and Paying Agent to the Bank of the Letter of Credit. Any substitute letter of credit issued pursuant to this Section 2.1(c) shall be dated the date of the Letter of Credit for which it is substituted.

Section 2.2. Fees. The Authority shall pay to the Bank the fees and reimburse the Bank for expenses in the amounts and on the dates and at the times set forth in the Fee Annex attached hereto. Any reference herein or in any other document to fees and/or other amounts or obligations payable hereunder shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee Annex attached hereto. The terms of the Fee Annex attached hereto are hereby incorporated herein by reference as if fully set forth herein and all references herein to this “GR Reimbursement Agreement” shall be deemed to include the Fee Annex. All fees paid under this GR Reimbursement Agreement and the Fee Annex attached hereto will be fully earned when due and nonrefundable when paid.

Section 2.3. Expenses. The Authority shall pay to the Bank within thirty (30) days of demand by the Bank, all reasonable costs, charges, fees and expenses of the Bank (including, but not limited to, taxes, if any, and the reasonable fees and expenses of counsel for the Bank as provided herein and in the Fee Annex attached hereto) in connection with this GR Reimbursement Agreement or relating to the transactions contemplated hereby, including, without limitation, any such costs, charges, fees and expenses incurred in connection with: (a) the preparation and negotiation of this GR Reimbursement Agreement, the Bank Documents, the Authority Documents or any other Documents; (b) the closing of the transactions contemplated by this GR Reimbursement Agreement; (c) any amendment, waiver, consent or modification of, or with respect to, this GR Reimbursement Agreement, any Bank Document, any Authority Document or any other Document; (d) the perfection, protection, exercise or enforcement of any of the Bank’s rights under this GR Reimbursement Agreement, any Authority Document, any Bank Document or any other Document; (e) any certificates required by the Bank from insurance specialists and other professionals; (f) any action or proceeding relating to a court order, injunction, or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Letter of Credit; or (g) enforcement by the Bank of any obligations of, or in collecting any payments due from, the Authority hereunder or under any other Bank Document, Authority Document or other Document or in connection with any refinancing or restructuring of the credit arrangements provided under this GR Reimbursement Agreement in the nature of a “work-out” or of any insolvency or bankruptcy proceedings, *provided, however*, that with respect to clause (g) only, the reasonableness of such costs, charges, fees and expenses shall be determined by the Bank in its sole discretion. The obligation of the Authority to pay all reasonable costs and expenses of the Bank shall continue notwithstanding any failure to satisfy the conditions of Article III hereof and shall survive the termination of the Letter of Credit and this GR Reimbursement Agreement. Except with respect to clause (g) above, the Bank shall furnish to the Authority upon request an itemized statement of all costs, charges, fees and expenses demanded by the Bank under this Section.

Section 2.4. Manner and Time of Payment. Except as otherwise expressly provided herein, all payments to the Bank by the Authority under this GR Reimbursement Agreement and the Bank Note shall be made to the Bank in immediately available funds by wire transfer to the

account designated for that purpose pursuant to Section 8.1 hereof not later than 1:00 p.m. (New York City time) on the date such payment is due. Funds received after such time shall be deemed to have been paid and received on the next succeeding Business Day and amounts not received on or before 1:00 p.m. on the date due shall bear interest at the Default Rate. All amounts payable to the Bank by the Authority hereunder or under the Bank Note shall be paid without demand, presentment or notice of any kind on the date due, *provided*, that payments to be made under (a) Sections 2.3 and 8.3 hereof shall be payable only upon written demand therefor by the Bank and shall be due thirty (30) days after receipt of notice by the Authority of such demand and (b) Sections 2.13 and 5.13 hereof shall be due and payable as provided respectively therein.

Section 2.5. Application of Funds. Amounts paid to the Bank by or on behalf of the Authority shall be applied (i) first, to the satisfaction of interest due and owing on any Unreimbursed Amount or Bank Loan owing to the Bank, (ii) second, to the satisfaction of that portion of any Unreimbursed Amount represented by the Interest Component thereof owing to the Bank and then that portion of any Unreimbursed Amount represented by the Principal Component thereof or any Bank Loan owing to the Bank, and (iii) third, to the satisfaction of any other outstanding Payment Obligations owing to the Bank in such order as the Bank chooses. From and after the occurrence of an Event of Default, any amounts paid to the Bank hereunder shall be applied by the Bank to amounts due and owing to the Bank under this GR Reimbursement Agreement in the manner determined by the Bank in its sole and absolute discretion. Any balance remaining after payment in full of all such amounts shall be disbursed by the Bank following the Maturity Date to the Authority.

Section 2.6. Substitute Letter of Credit. Notwithstanding any provisions of this GR Reimbursement Agreement to the contrary, the Authority agrees not to terminate, permanently reduce or replace the Letter of Credit prior to the Stated Expiration Date, except upon (i) the payment by the Authority to the Bank of any fee, including any termination fee, required by the terms of this GR Reimbursement Agreement and the Fee Annex, (ii) the payment to the Bank of all other Payment Obligations payable hereunder and (iii) the Authority providing the Bank and the Trustee with thirty (30) days prior written notice of its intent to terminate the Letter of Credit. Any such termination of the Letter of Credit shall be in compliance with the terms and conditions of the General Resolution. The Authority agrees that any termination of the Letter of Credit as a result of the provision of any Alternate Credit Facility will require, as a condition thereto, that the Authority or the issuer of any Alternate Credit Facility shall provide funds on the date of such termination or provision, which funds will be sufficient to pay in full at the time of termination of the Letter of Credit all Payment Obligations due and owing to the Bank hereunder.

Section 2.7. Interest on Unreimbursed Amounts and Bank Loans.

(a) **Interest.** The Authority hereby agrees to pay interest (i) on Unreimbursed Amounts from and including the date on which the related Drawing is made, up to and including the earlier of (A) the 180th day immediately succeeding the date on which the Drawing relating to such Unreimbursed Amount was made and (B) the Stated Expiration Date at the Bank Rate from time to time in effect, (ii) on Unreimbursed Amounts that do not become Bank Loans and that are not paid when due at the Default Rate from time to

time in effect, and (iii) on Bank Loans at the Bank Rate from time to time in effect from and after the date of the related Drawing until paid in full. If any Unreimbursed Amount is repaid at or prior to 4:00 p.m. (New York time) on the same day on which the related Drawing is paid, no interest shall be payable on such Unreimbursed Amount.

(b) Payment of Interest. (i) Interest on Unreimbursed Amounts (A) at the rate specified in Section 2.7(a)(i) hereof shall be payable by the Authority in arrears on the first day of each calendar month and the date of the payment in full of such Unreimbursed Amount and (B) at the rate specified in Section 2.7(a)(ii) hereof shall be payable by the Authority on demand, (ii) interest on Bank Loans at the rate specified in Section 2.7(a)(iii) shall be payable by the Authority in arrears on the first day of each calendar month until the Maturity Date and on the Maturity Date and (iii) with respect to accrued interest on an amount to be prepaid by the Authority pursuant to Section 2.8(c) below, on the date of prepayment of such amount.

(c) Computation of Interest. All interest payable hereunder shall be computed on the basis of a 365 day year, and all fees and other amounts due and owing the Bank hereunder shall be computed on the basis of a 360 day year, and, in each case, on the actual number of days elapsed in the period during which such interest or fee or other amounts due and owing hereunder accrues as specifically provided herein or therein, on any amount outstanding hereunder, the first date from which interest is stated to accrue hereunder shall be included and the date of payment of such amount to the Bank shall be excluded unless such date of payment is the Termination Date, in which case, such date of payment shall be included. Due but unpaid interest shall be compounded monthly and, to the extent permitted by law, shall bear interest at the Default Rate per annum from and after compounding until paid in full.

Section 2.8. Payment of Unreimbursed Amounts.

(a) Maturity Date of Unreimbursed Amount. The Unreimbursed Amount with respect to each Drawing shall be due and payable by the Authority by 4:00 p.m. (New York time) on the earlier of (i) the one hundred eightieth (180th) day immediately succeeding the date such Drawing was made and (ii) the Stated Expiration Date; *provided*, that in the event that the conditions set forth in subsections (a) and (b) of Section 3.2 hereof are satisfied on the earlier of (i) the one hundred eightieth (180th) day immediately succeeding the date such Drawing was made and (ii) the Stated Expiration Date, the Unreimbursed Amount of such Drawing will be converted automatically to a term loan (each a “Bank Loan”) from the Bank to the Authority, but only if as of the close of business on the date of such conversion (a “Conversion Date”), the sum of the then existing Stated Amount of the Letter of Credit plus the aggregate amount of all unpaid Bank Loans and other Unreimbursed Amounts does not exceed the Initial Stated Amount of the Letter of Credit. Each Bank Loan shall be due and payable as provided in Sections 2.7 through 2.10 hereof, but in no event later than the applicable Maturity Date.

(b) Payment of Bank Loans. With respect to each Bank Loan, the Authority hereby agrees to pay the amount of such Bank Loan to the Bank in equal quarterly installments, such payments to be made on each Quarterly Payment Date commencing

with the first Quarterly Payment Date following the date of the Drawing to which such Bank Loan relates until paid in full, with the final principal installment in an amount equal to the entire then outstanding principal amount of such Bank Loan being due and payable on the related Maturity Date, and the related total Unreimbursed Amount shall be paid in full, together with all interest accrued thereon and any other sums owed to the Bank hereunder, on or before the applicable Maturity Date.

(c) Prepayment. The Authority may prepay each Unreimbursed Amount, in whole or in part, at any time; *provided*, that such prepayment is accompanied by all interest accrued thereon. In the event that the Issuing and Paying Agent issues any 2015 GR-1 Notes the proceeds of which are used for a purpose other than paying the principal of and interest on maturing 2015 GR-1 Notes while any Bank Loan remains unpaid, the Authority shall apply the proceeds of any such 2015 GR-1 Notes to the prepayment of such outstanding Bank Loan and such prepayment shall be applied against each such Bank Loan in the order in which each such Bank Loan was made.

Section 2.9. Payment Due on Non-Business Day to Be Made on Next Business Day. If any sum becomes payable pursuant to this GR Reimbursement Agreement on a day which is not a Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding Business Day, and such extended time shall be included in the computation of interest and fees.

Section 2.10. Late Payments. If the principal amount of any Payment Obligation is not paid when due, or upon the occurrence and during the continuance of any Event of Default, all Payment Obligations shall bear interest until paid in full at a rate per annum equal to the Default Rate from time to time in effect, payable on demand.

Section 2.11. Source of Funds. All payments made by the Bank pursuant to the Letter of Credit shall be made from funds of the Bank, and not from the funds of any other Person.

Section 2.12. Letter of Credit Conclusive. In case of any conflict or discrepancy between the terms and provisions of the Letter of Credit and terms and provisions of this GR Reimbursement Agreement or the General Resolution, the terms of the Letter of Credit shall determine the actual meaning of the Letter of Credit and this GR Reimbursement Agreement.

Section 2.13. Increased Costs.

(a) If the Bank or any Participant shall have reasonably determined that the adoption or implementation of, or any change in, any law, rule, treaty or regulation, or any policy, guideline or directive of, or any change in the interpretation or administration thereof by any court, central bank or other administrative or Governmental Authority (in each case, whether or not having the force of law) in each case occurring after the Original Closing Date, or compliance by the Bank or any Participant with any request or directive of any such court, central bank or other administrative or Governmental Authority (whether or not having the force of law) (each a “Change in Law”), shall (A) change the basis of taxation of payments to the Bank or any Participant of any amounts payable hereunder or under the Bank Note (other than a change in the rate of tax

based on the overall net income of the Bank or such Participant), (B) impose, modify or deem applicable any reserve, capital or liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against issuing or honoring Drawings under the Letter of Credit or assets held by or deposits with or for the account of, the Bank or any Participant, or (C) impose on the Bank or any Participant any other condition regarding this GR Reimbursement Agreement, the Bank Note, or the Letter of Credit, and the result of any event referred to in clause (A), (B) or (C) above shall be to increase the cost to the Bank or any such Participant of honoring Drawings under the Letter of Credit, or to reduce the amount of any sum received or receivable by the Bank or any such Participant hereunder or under the Bank Note, then, if and to the extent permitted by law the Authority shall pay to the Bank or such Participant at such time and in such amount as is set forth in paragraph (d) of this Section, such additional amount or amounts as will compensate the Bank or such Participant for such increased costs or reductions in amount.

(b) If the Bank or any Participant shall have determined that the applicability of any Change in Law, by, any court, central bank or other administrative or Governmental Authority, or compliance by the Bank, any corporation controlling the Bank, any Participant or any corporation controlling any Participant with any directive of or guidance from any central bank or other authority (in each case, whether or not having the force of law), shall impose, modify or deem applicable any capital adequacy, liquidity or similar requirement (including, without limitation, a request or requirement that affects the manner in which the Bank, any corporation controlling the Bank, such Participant or any corporation controlling such Participant allocates capital resources or liquidity to its commitments, including its obligations under lines of credit) that either (A) affects or would affect the amount of capital or liquidity to be maintained by the Bank, any corporation controlling the Bank, such Participant or any corporation controlling such Participant as it relates to making or maintaining its obligations under this GR Reimbursement Agreement and the Letter of Credit or (B) reduces or would reduce the rate of return on the Bank's capital or liquidity, or the capital or liquidity of any corporation controlling the Bank, or of any Participant or any corporation controlling any Participant, to a level below that which the Bank, any corporation controlling the Bank, such Participant or any corporation controlling such Participant could have achieved but for such circumstances (taking into consideration the policies of the Bank, any corporation controlling the Bank, such Participant or any corporation controlling such Participant with respect to capital adequacy or liquidity as it relates to making or maintaining its obligations under this GR Reimbursement Agreement and the Letter of Credit) then, if and to the extent permitted by law the Authority shall pay to the Bank, any corporation controlling the Bank, such Participant or any corporation controlling such Participant at such time and in such amount as is set forth in paragraph (d) of this Section, such additional amount or amounts as will compensate the Bank, any corporation controlling the Bank, such Participant or any corporation controlling such Participant for such cost of maintaining such increased capital or liquidity or such reduction of the rate of return on the Bank's capital or liquidity, or the capital or liquidity of any corporation controlling the Bank, or of any Participant or any corporation controlling any Participant. The protection of this Section 2.13(b) shall be available to

the Bank regardless of any possible contention of invalidity or inapplicability of the law, regulation or condition which has been imposed.

(c) Notwithstanding the foregoing, for purposes of this GR Reimbursement Agreement (a) all requests, rules, guidelines or directives in connection with the Dodd-Frank Act shall be deemed to be a Change in Law, regardless of the date enacted, adopted or issued, and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or any Governmental Authority (in each case pursuant to Basel III or any successor Basel Accord) shall be deemed a Change in Law regardless of the date enacted, adopted or issued.

(d) The Bank or Participant will use its best efforts to notify the Authority within 30 days of its obtaining actual knowledge of any event occurring after the date hereof that will entitle the Bank or such Participant or the respective controlling corporation of either, to compensation pursuant to this Section; *provided* that the failure of the Bank or Participant to notify the Authority within such 30-day period shall not relieve the Authority from any liability for payment of such compensation, provided further that the Authority shall not be required to compensate the Bank or such Participant or the respective controlling corporation of either pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date that the Bank or any such Participant, as the case may be, provides notice to the Authority of the event giving rise to such increased cost or reduction (except that, if the event giving rise to such increased cost or reduction is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof). Any request for payment of increased costs pursuant to this Section shall be accompanied by a certificate of the Bank or Participant claiming compensation under this Section setting forth the additional amount or amounts to be paid to it hereunder and attaching such information in such detail as may be reasonably requested by the Authority, and such certificate and such information shall be conclusive in the absence of manifest error. In determining such amount, the Bank or Participant may use any reasonable average and attribution methods and shall include a reasonably detailed description of the amount resulting from the alleged event.

(e) The obligation of the Authority under this Section shall survive the termination of the Letter of Credit and this GR Reimbursement Agreement and the repayment of all amounts owing to the Bank hereunder and under the other Documents.

Section 2.14. Absolute Obligations. Each Payment Obligation of the Authority shall be performed strictly in accordance with this GR Reimbursement Agreement (subject to any modifications, waivers or consents by the Bank in accordance with the terms hereof) under any and all circumstances, and shall not be affected by (a) any lack of validity or enforceability of this GR Reimbursement Agreement, any Bank Document or any Authority Document; (b) any amendment of, or any waiver or consent with respect to, this GR Reimbursement Agreement, any Bank Document or any Authority Document, not consented to by the Bank; (c) the existence of any claim, set-off, defense or other right which the Authority, the Trustee or any other Person may have at any time against the Trustee, the Bank, the Dealer, the Issuing and Paying Agent, or

any other Person; (d) any breach of contract or other dispute between the Authority or any other Person; (e) any statement, certificate, draft or other document presented under the Letter of Credit proving to be forged, fraudulent, untrue, inaccurate, invalid or insufficient in any respect; (f) any payment by the Bank under the Letter of Credit against presentation of a certificate which does not comply with the terms of the Letter of Credit (except where (i) such payment constitutes the gross negligence or willful misconduct of the Bank and (ii) the Bank has made payment of any Drawing under the Letter of Credit to a party other than the Paying Agent or the Authority); (g) any non-application or misapplication by the Trustee, the Issuing and Paying Agent, the Dealer or any other Person of the proceeds of any Drawing under the Letter of Credit or of the proceeds of the 2015 GR-1 Notes; (h) any delay, extension of time, renewal, compromise or other indulgence or modification agreed to by the Bank, with or without notice to or approval by the Authority, in respect of any of the obligations of the Authority to the Bank under this GR Reimbursement Agreement, any Bank Document or any Authority Document; (i) any exchange, release, surrender, impairment or non-perfection of any Lien on any collateral pledged or otherwise provided to secure any of the obligations contemplated herein or in any Bank Document or, any Authority Document; or (j) any invalidity of the 2015 GR-1 Notes.

Section 2.15. Electric System General Revenue Notes Operations.

(a) Issuance Generally. The Authority will permit 2015 GR-1 Notes to be issued, and authorizes the Issuing and Paying Agent to issue 2015 GR-1 Notes, only in accordance with the terms of the GR Resolution and this GR Reimbursement Agreement.

(b) No Issuance Notices; Final Drawing Notice. 2015 GR-1 Notes may be issued from time to time prior to the Stated Expiration Date in accordance herewith and with the GR Resolution so long as (i) the Issuing and Paying Agent is not in receipt of a Notice of No Issuance, which notice has not been rescinded by a Rescission of Notice of No Issuance and (ii) the Issuing and Paying Agent is not in receipt of the Final Drawing Notice. The Bank may deliver a Notice of No Issuance or a Final Drawing Notice at any time when an Event of Default shall have occurred and be continuing. A Notice of No Issuance or the Final Drawing Notice shall be effective when received by the Issuing and Paying Agent; *provided, however*, that a Notice of No Issuance or the Final Drawing Notice received by the Issuing and Paying Agent after 11:30 a.m. New York time, on any day on which 2015 GR-1 Notes are being issued shall be effective on the next succeeding day. A Notice of No Issuance or the Final Drawing Notice may be given by facsimile or electronic mail transmission, confirmed in writing within twenty-four (24) hours, but the failure to so confirm such Notice of No Issuance or the Final Drawing Notice in writing shall not render such Notice of No Issuance or the Final Drawing Notice ineffective. The Bank shall furnish a copy of any Notice of No Issuance or the Final Drawing Notice to the Authority and the Dealer promptly following delivery thereof to the Issuing and Paying Agent, but the failure to furnish any such copy shall not render ineffective such Notice of No Issuance or the Final Drawing Notice.

Section 2.16. The Bank Note. All Unreimbursed Amounts and Bank Loans shall be made against and evidenced by a promissory note (the “Bank Note”) issued by the Authority pursuant to the terms of the Issuing and Paying Agency Agreement to the Bank payable to the order of the Bank in an amount equal to the amount of all Unreimbursed Amounts and Bank

Loans outstanding from time to time. Such Bank Note shall be executed and delivered to the Bank on the Closing Date substantially in the form of Exhibit B attached hereto, with appropriate insertions, and shall replace the Original Bank Note which shall be canceled by the Bank and returned to the Authority. All Unreimbursed Amounts and Bank Loans and all payments and prepayments on account of the principal of and interest thereon shall be recorded by the Bank on its books and records, which books and records shall, absent manifest error, be conclusive as to amounts payable by the Authority hereunder and under the Bank Note. The Bank may, but shall not be required to, complete the schedule attached to the Bank Note to reflect the status of Unreimbursed Amounts and Bank Loans thereunder; *provided*, that the failure to make, or any error in making, any such endorsement on such schedule shall not limit, extinguish or in any way modify the obligation of the Authority to repay the Unreimbursed Amounts and Bank Loans. The Authority shall pay principal and interest on the Bank Note on the dates and at the rates provided for in Sections 2.7 through 2.10 hereof with respect to Unreimbursed Amounts and Bank Loans.

Section 2.17. Failure to Extend. If the Stated Expiration Date of the Letter of Credit is not extended, the Authority agrees to use its best efforts to arrange for (i) the substitution of the Letter of Credit by an Alternate Liquidity Facility or an Alternate Credit Facility or (ii) the redemption or defeasance of all of the 2015 GR-1 Notes supported by the Letter of Credit on or prior to the then existing Stated Expiration Date.

ARTICLE III

CONDITIONS PRECEDENT

The obligation of the Bank to extend the Stated Termination Date of the Letter of Credit and all other obligations of the Bank hereunder are conditioned upon the satisfaction by the Authority on or before the Closing Date of the conditions precedent set forth in Section 3.1 hereof.

Section 3.1. Closing Documents. On or before the Closing Date, the Bank shall have received and approved the following documents or materials, each of which shall be in form and substance satisfactory to the Bank and, where appropriate, duly executed (and acknowledged where necessary) and delivered by the appropriate parties thereto:

- (a) executed or certified copies, as applicable, of each of the Authority Documents;
- (b) certificates of the Chief Executive Officer or Chief Financial Officer of the Authority and the Chief Executive Officer, Chief Financial Officer or Secretary of the LIPA Subsidiary, each dated as of the Closing Date in the forms attached hereto as Exhibit C and Exhibit D, respectively;
- (c) an opinion of Bond Counsel dated the Closing Date, and addressed to the Bank, in the form attached hereto as Exhibit E;

(d) an opinion of Counsel to the Authority and to the LIPA Subsidiary, dated the Closing Date, and addressed to the Bank, in the form attached hereto as Exhibit F;

(e) certified copies of the organizational documents of the Authority certified by its Secretary or Chief Executive Officer;

(f) certified copies of the organizational documents of the LIPA Subsidiary certified by its Secretary or Chief Executive Officer;

(g) (i) evidence that, as of the Closing Date, the 2015 GR-1 Notes have been given a rating of not less than “P-1” by Moody’s and “A-1” by S&P; and (ii) recent evidence (which may be in the form of recent ratings letters or a screen shot of such ratings) that the Bonds have been given an unenhanced long-term debt rating of not less than “A3,” “A-,” and “A-” by at least two of Moody’s, S&P, and Fitch, respectively (the “Bond Rating Evidence”);

(h) satisfactory evidence that (i) a separate CUSIP number has been assigned to the Bank Note and (ii) at least one of Moody’s and Fitch has assigned to the Bank Note a long-term rating equal to or higher than investment grade;

(i) copies of all the Disclosure Materials;

(j) reimbursement for all fees and expenses incurred by the Bank in connection with issuance of the Letter of Credit and the transactions contemplated herein in accordance with Section 2.2 hereof and the Fee Annex attached hereto;

(k) evidence satisfactory to the Bank that no lawsuits or governmental actions other than those referenced in Section 4.3 hereof are pending against the Authority in respect of the 2015 GR-1 Notes, or in connection with the Documents;

(l) [reserved];

(m) evidence that the State Comptroller has duly approved this GR Reimbursement Agreement in accordance with Section 112 of the New York State Finance Law and that this GR Reimbursement Agreement has been filed in his office (and the execution by the State Comptroller of this GR Reimbursement Agreement will be deemed to constitute such evidence); and

(n) such other documents, agreements, instruments, certificates and opinions as the Bank may reasonably require.

All documents, certificates, opinions, and instruments referred to above shall be in form and substance satisfactory to both the Bank and its counsel. The Bank shall cancel and surrender the Original Bank Note.

Section 3.2. Representations Correct; No Default; Conditions to Bank Loans. The Authority shall represent that as of the Closing Date and, with respect to subsections (a) and (b)

below, on each date on which the Bank makes any Bank Loan and as a condition to making such Bank Loan:

(a) the representations and warranties contained herein and in each written document delivered by the Authority, to the Bank in connection with this GR Reimbursement Agreement shall be true and correct in all material respects to the same extent as though made on and as of such date, except (i) to the extent that such representations and warranties specifically relate to an earlier date and to the extent that any such representation or warranty specifically relates to an earlier date, such representation or warranty shall be true and correct as of such date and (ii) that the representations contained in Section 4.22 hereof shall be deemed to refer to the most recent financial statements of the Authority and its consolidated Subsidiaries delivered to the Bank pursuant to Section 5.2(a)(ii) hereof;

(b) no Event of Default or Potential Default shall have occurred and be continuing and neither will result from the issuance of the Letter of Credit or the making of the Bank Loan, as applicable, or from the sale and issuance of the 2015 GR-1 Notes; and

(c) no event or circumstance shall have occurred since December 31, 2019, which could reasonably be expected to materially and adversely affect the rights or remedies of the Bank hereunder, or the ability of the Authority or the LIPA Subsidiary to perform its respective obligations hereunder or under any other Document to which it is a party or which could have a Material Adverse Effect.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY

In order to induce the Bank to enter into this GR Reimbursement Agreement and to issue the Letter of Credit and to make Bank Loans hereunder, the Authority represents and warrants to the Bank that the following statements are true and correct:

Section 4.1. Organization. The Authority is a duly organized, validly existing corporate municipal instrumentality of the State. The LIPA Subsidiary is a business corporation, duly incorporated, validly existing and in good standing under the laws of the State. Each of the Authority and the LIPA Subsidiary has all requisite power and authority, rights and franchises to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, and to enter into and perform its obligations under the Authority Documents.

Section 4.2. Authorization, Conflicts, Binding Effect. The execution, delivery and performance of the Authority Documents by the Authority are within the Authority's powers and have been duly authorized by all necessary action by the Authority including, if necessary, the adoption of any necessary regulations or resolutions by its Board. The execution, delivery and performance of the Authority Documents by the Authority or the LIPA Subsidiary, as applicable, will not violate (i) the Act or the Authority's or LIPA Subsidiary's Bylaws or any other law, rule, regulation, order, writ, judgment, injunction, decree, determination, or award, or (ii) the

provisions of any indenture, instrument or agreement to which the Authority, the LIPA Subsidiary or any other Subsidiary is a party or is subject, or by which it, or its property, is bound. The Authority is not in violation of or default under any such Legal Requirement, and no condition exists that would, with the giving of notice or lapse of time, or both, constitute such a violation or default. The Authority Documents have each been duly executed by the Authority and are legally valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws affecting creditors' rights generally and by general principles of equity.

Section 4.3. Litigation; Adverse Facts. Except as disclosed in the Disclosure Materials, there is no action, suit, investigation, proceeding or arbitration (whether or not purportedly on behalf of the Authority or the LIPA Subsidiary) at law or in equity or before or by any foreign or domestic court or other Governmental Authority (a "Legal Action"), pending or, to the knowledge of the Authority, threatened against or affecting the Authority or the LIPA Subsidiary, or any of their respective assets which could reasonably be expected to result in a Material Adverse Effect. Neither the Authority nor the LIPA Subsidiary is in violation of any applicable law, rule, regulation, order, writ, judgment, injunction, decree or award of any court or other agency or government, which violation has a Material Adverse Effect. Except as disclosed in the Disclosure Materials, there is no Legal Action pending or, to the knowledge of the Authority, threatened against or affecting the Authority or the LIPA Subsidiary, questioning the validity or the enforceability of any Authority Document or any Subsidiary Document, respectively.

Section 4.4. Title to Properties; Liens. The Authority and the LIPA Subsidiary have good, sufficient and legal title to all of their respective properties and assets. All of the properties of the Authority and the LIPA Subsidiary are free and clear of Liens, except for (i) Liens arising in connection with the Documents and (ii) such Liens as would not have a Material Adverse Effect. The Authority's properties and all revenues therefrom are exempt from taxation by the State or any of its subdivisions, municipalities or other governmental or taxing entities; *provided, however*, that the Authority is obligated under the Act to make certain PILOT payments.

Section 4.5. Disclosure. There is no fact known to the Authority (other than matters of a general economic nature) which has or could reasonably be expected to have a Material Adverse Effect, which has not been disclosed in this GR Reimbursement Agreement or in other documents, certificates and written statements furnished to the Bank in connection herewith.

Section 4.6. Payment of Taxes. All tax returns and reports of the Authority and the LIPA Subsidiary required to be filed have been timely filed, and all taxes, assessments, fees and other governmental charges, including PILOT payments, upon the Authority and the LIPA Subsidiary and upon their respective properties, assets, income and franchises which are due and payable have been paid when due and payable on a current basis, except to the extent that such taxes or PILOT payments are being contested by the Authority or the LIPA Subsidiary in good faith by appropriate proceedings with appropriate reserves.

Section 4.7. Disclosure Materials. The information contained in the Disclosure Materials or otherwise furnished by or on behalf of the Authority to the Bank in connection with the negotiation of this GR Reimbursement Agreement is correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made in the Disclosure Materials, in light of the circumstances under which they were made, not misleading; *provided, however*, that the Authority makes no representation as to information provided by the Bank for inclusion in the Offering Memorandum.

Section 4.8. Authority Documents; Subsidiary Documents. Each of the Authority Documents and the Subsidiary Documents is in full force and effect and represents a valid and binding obligation of the Authority or the LIPA Subsidiary, as applicable, enforceable in accordance with its respective terms; no Event of Default and no Potential Default currently exists under any of the Authority Documents or the Subsidiary Documents except as previously disclosed in writing to the Bank, nor has the Authority, the LIPA Subsidiary or any other party thereto waived or deferred performance of any material obligation under any Authority Document or Subsidiary Document except as previously disclosed in writing to the Bank.

Section 4.9. Reaffirmation of Representations and Warranties. The Authority hereby makes to the Bank the same representations and warranties as are set forth by the Authority in each of (a) the General Resolution, (b) the GR Resolution, (c) the Issuing and Paying Agency Agreement, (d) the Dealer Agreement, (e) the 2015 GR-1 Notes, (f) the Bank Note, (g) each of the other Bank Documents to the extent the Authority is a party thereto, and (h) the Financing Agreement, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference into this Section 4.9 for the benefit of the Bank with the same effect as if each and every such representation and warranty and defined term were set forth in this Section 4.9 in its entirety. No amendment to such representations and warranties or defined terms made pursuant to any Authority Document shall be effective to amend such representations and warranties and defined terms as incorporated by reference in this Section 4.9 without the prior written consent of the Bank.

Section 4.10. Regulatory Compliance. The Authority is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation G, T, U or X of the Board of Governors of the Federal Reserve System), and no part of the proceeds of Drawings under the Letter of Credit will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

Section 4.11. Registration, Consent and Approval. The execution, delivery and performance by the Authority of this GR Reimbursement Agreement and the Authority Documents do not and with respect to the execution and delivery will not require registration with, or the consent or approval of, or any other action by, any federal, State or other governmental authority or regulatory body other than those which have been made or given and are in full force and effect (except for any federal securities laws or Blue Sky regulations, as to which no representation is given).

Section 4.12. Liens. The General Resolution creates, for the benefit and security of the 2015 GR-1 Notes and the Reimbursement Obligations (together with other Bonds and other

Parity Obligations), the legally valid, binding and irrevocable statutory lien on and pledge of the Revenues and the Trust Estate. There is no lien on the Trust Estate other than the liens created by or pursuant to the General Resolution and the Subordinated Resolution. Neither the General Resolution nor the Subordinated Resolution permits the issuance of any debt secured by the Revenues to rank senior to the 2015 GR-1 Notes or the Reimbursement Obligations. The payment of the principal of and interest on the Bank Note and the payment of the Reimbursement Obligations rank on a parity with the payment of principal of and interest on Bonds and each is not subordinate to any payment secured by a lien on the Revenues or the Trust Estate or any other claim, and is prior as against all other persons having claims of any kind in tort, contract or otherwise, whether or not such persons have notice of the lien. No filing, registering, recording or publication of the General Resolution or any other instrument is required to establish the pledge under the General Resolution or to perfect, protect or maintain the lien created thereby on the Revenues and the Trust Estate.

Section 4.13. Sovereign Immunity. The defense of immunity (sovereign or otherwise) is not available to the Authority in any proceeding by the Bank to enforce any of the obligations of the Authority under this GR Reimbursement Agreement or the Authority Documents and, to the fullest extent permitted by law, the Authority consents to the initiation of any such proceeding in any federal or state court of competent jurisdiction located in the State.

Section 4.14. No Default. No Potential Default or Event of Default exists on the date hereof.

Section 4.15. ERISA. The Authority and its Subsidiaries are in compliance in all material respects with ERISA to the extent applicable to them and neither the Authority nor any Subsidiary thereof has received any notice from the PBGC or any other governmental entity or agency that such Person is not in compliance in all material respects with ERISA to the extent applicable to them, except to the extent that such noncompliance could not reasonably be expected to result in a Material Adverse Effect. No steps have been taken to terminate any Plan, other than a “standard termination” meeting the requirements of Section 4041(b) of ERISA, and no contribution failure has occurred with respect to any Plan sufficient to give rise to a lien under Section 302(f) of ERISA. No condition exists or event or transaction has occurred with respect to any Plan which is reasonably likely to result in the incurrence by the Authority or any Subsidiary thereof of any fine, penalty or liability (other than the liability for making contributions when due to such Plan in accordance with Section 302 of ERISA) which could reasonably be expected to result in a Material Adverse Effect. Neither the Authority nor any Subsidiary thereof has any contingent liability with respect to any post-retirement benefit, other than liability for continuation coverage described in Part 6 of Title I of ERISA, that could reasonably be expected to have a Material Adverse Effect, except as disclosed in writing to the Bank prior to the date hereof. The Authority and its Subsidiaries each are not (1) an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), (2) a plan or account subject to Section 4975 of the Internal Revenue Code of 1986 (the “Code”); (3) an entity deemed to hold “plan assets” of any such plans or accounts for purposes of ERISA or the Code; or (4) a “governmental plan” within the meaning of ERISA..

Section 4.16. Enforceability. This GR Reimbursement Agreement and the other Authority Documents are the legal, valid and binding agreements of the Authority and, to the

extent a signatory thereto, the LIPA Subsidiary, enforceable against them in accordance with their terms, except as may be limited by (a) bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium or other similar laws or judicial decisions for the relief of debtors or the limitation of creditors' rights generally and (b) equitable principles of general applicability.

Section 4.17. No Default under Other Agreements. None of the Authority, the LIPA Subsidiary or any other Subsidiary is in default with respect to any note, indenture, loan agreement, mortgage, lease, deed, or other agreement to which it is a party or by which it or its Property is bound, which default could materially and adversely affect any rights of the Bank under the Documents or could reasonably be expected to result in a Material Adverse Effect.

Section 4.18. Status under Certain Laws. Neither the Authority nor any of its Subsidiaries is an "investment company" or a person directly or indirectly controlled by or acting on behalf of an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 4.19. Environmental Law. To the best of the Authority's knowledge after reasonable diligence with respect thereto, except as otherwise described to the Bank in writing on or prior to the Closing Date, (i) neither the Authority nor any Subsidiary thereof has received any notice to the effect, or has any knowledge, that its Property or operations are not in compliance with any of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations including, without limitation, regulations promulgated under the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901 et seq. ("Environmental Laws"), or is the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to result in a Material Adverse Effect; (ii) there have been no releases of hazardous materials at, on or under any Property now or previously owned or leased by the Authority or any Subsidiary that, singly or in the aggregate, have, or may reasonably be expected to result in, a Material Adverse Effect; (iii) there are no underground storage tanks, active or abandoned, including petroleum storage tanks, on or under any Property now or previously owned or leased by the Authority or any Subsidiary that, singly or in the aggregate, have, or could reasonably be expected to have, a Material Adverse Effect; (iv) neither the Authority nor any Subsidiary is the subject of any remedial investigation under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §9601 et seq. ("CERCLA") that is reasonably expected to have a Material Adverse Effect; and (v) no conditions exist at, on or under any Property now or previously owned or leased by the Authority or any Subsidiary which, with the passage of time, or the giving of notice or both, would give rise to liability under any Environmental Law, except to the extent such liability could not reasonably be expected to result in a Material Adverse Effect.

Section 4.20. General Resolution. The Reimbursement Obligations constitute Parity Reimbursement Obligations and Parity Obligations for all purposes of the General Resolution, which are secured by the pledge of and lien on the Trust Estate created by Section 501 of the General Resolution on a parity with the lien on the Trust Estate securing the payment of Bonds, the 2015 GR-1 Notes and other Parity Obligations. To the extent that any Letter of Credit Fee or

other amount payable hereunder does not constitute a Reimbursement Obligation, such Letter of Credit Fee or other amount so payable shall be payable as Operating Expenses by the Authority. The Letter of Credit is a "Credit Facility" as defined in the General Resolution.

Section 4.21. Interest. None of the Documents provides for any payments that would violate any applicable law regarding permissible maximum rates of interest.

Section 4.22. Financial Information. The audited financial statements of the Authority and its consolidated Subsidiaries for the Fiscal Year ended December 31, 2019, true and correct copies of which have heretofore been delivered or made available to the Bank, fairly present, in conformity with GAAP, the financial position of the Authority and its consolidated Subsidiaries and its results of operations and changes in financial position at the dates and for the periods indicated. Since December 31, 2019, there has been no material adverse change in the business, financial position, or the results of operations of the Authority or the LIPA Subsidiary. Except as reflected in the financial statements referenced above or as described in the Disclosure Materials or as otherwise disclosed by the Authority to the Bank in writing, there are as of the date hereof no liabilities or obligations with respect to the Authority of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether or not due) which, in the aggregate, would be material to the Authority or the LIPA Subsidiary. The Authority does not know of any basis for the assertion against the Authority or any of its Subsidiaries of any liability or obligation of any nature whatsoever that is not reflected in the financial statements referenced above or the Disclosure Materials which, in the aggregate, could be material to the Authority or any of its consolidated Subsidiaries.

ARTICLE V

AFFIRMATIVE COVENANTS OF THE AUTHORITY

Until the later of the Termination Date and the date that all the Payment Obligations are paid in full, unless the Bank otherwise expressly consents in writing:

Section 5.1. Maintenance of Existence, Etc. The Authority shall maintain and preserve its existence and all rights material to its function; maintain its assets in good order and repair; and conduct its business in an orderly manner without voluntary interruption. The Authority shall maintain its legal existence as a corporate municipal instrumentality of the State and shall maintain and preserve the legal existence of the LIPA Subsidiary as a wholly owned Subsidiary of the Authority. The Authority shall, and shall cause each Subsidiary to, maintain its legal existence except for mergers permitted by Section 6.4 hereof, or where the dissolution of a Subsidiary would not have a Material Adverse Effect.

Section 5.2. Access and Reporting. The Authority shall permit the representatives of the Bank at any time or from time to time during normal business hours, upon one (1) Business Day's notice, to inspect all of its properties, books and records and to discuss the affairs, finances and accounts of the Authority with its officers from time to time. The Authority shall maintain a system of accounting established and administered in accordance with sound business practices to permit preparation of financial statements in conformity with GAAP. The Authority, at its expense, shall furnish or cause to be furnished to the Bank the following:

(a) (i) Within sixty (60) days after the end of each of the first three fiscal quarters of each Fiscal Year of the Authority, unaudited consolidated financial statements consisting of a statement of financial position of the Authority and its consolidated Subsidiaries as of the end of such fiscal period and a statement of cash flows and a statement of revenues, expenses and accumulated (deficit)/net revenues of the Authority and its consolidated Subsidiaries for such fiscal period, prepared in accordance with GAAP, and in the case of such quarter of such Fiscal Year, setting forth in comparative form the corresponding figures (if any) for such fiscal quarter of the preceding Fiscal Year, prepared in accordance with GAAP, and (ii) within one hundred twenty (120) days after the end of each Fiscal Year, audited financial statements of the Authority and its consolidated Subsidiaries consisting of a statement of financial position and a statement of cash flows and a statement of revenues, expenses and accumulated (deficit)/net revenues for such Fiscal Year (including comparative form of the corresponding figures (if any) for the preceding Fiscal Year) all in reasonable detail (in the case of the report set out in (ii), prepared in accordance with GAAP and accompanied by the report of a nationally recognized firm of certified public accountants, and in all other cases prepared in accordance with GAAP for interim financial information). In connection with the requirements in clauses (i) and (ii) above, the Authority shall provide a letter from the Chief Financial Officer of the Authority addressed to the Bank stating that, insofar as they relate to accounting matters, no Event of Default and no Potential Default has come to his/her attention and was continuing at the end of such fiscal period or on the date of his/her letter or, if such an event, insofar as it relates to accounting matters, has come to his/her attention and was continuing as of such date, indicating the nature of such event and the action which the Authority proposed to take with respect thereto and, in connection with the requirements in clause (ii) above, the Authority shall provide a letter from the nationally recognized firm of certified public accountants that prepared the report required by clause (ii) addressed to the Bank, stating that, insofar as they relate to accounting matters, no Event of Default and no Potential Default has come to such firm's attention and was continuing at the end of such fiscal period or on the date of such firm's letter or, if, insofar as they relate to accounting matters, such an event has come to such firm's attention and was continuing as of such date, indicating the nature of such event. Such letter shall also set forth the calculations supporting such statements in respect of Sections 5.8 and 5.14 hereof;

(b) Within one hundred twenty (120) days after the end of each Fiscal Year, a certificate of an Authorized Representative of the Authority (i) setting forth in reasonable detail the Authority's historical Debt Service coverage for such Fiscal Year, together with detailed calculations thereof, and (ii) certifying that no Event of Default and no Potential Default has occurred and is continuing;

(c) Within one hundred twenty (120) days after the end of each Fiscal Year, a certificate of an Authorized Representative of the Authority setting forth in reasonable detail the electric sales, revenues and peak period usage for such Fiscal Year;

(d) Promptly upon their becoming available, a copy of the Authority's operating budget for the following Fiscal Year, but no later than fifteen (15) days after such information is made available by the Authority and, in any event, not later than 120

days after the end of each Fiscal Year, and such budget shall include, without limitation, the following information: (i) a forecast of projected operating results for the next Fiscal Year, (ii) estimated capacity requirements and resources for the next Fiscal Year, and (iii) a summary of estimated capital expenditures for the four (4) succeeding Fiscal Years;

(e) Promptly upon their becoming available, other financial reports, annually adopted budgets, official statements and similar information of the Authority and its consolidated Subsidiaries, but in no event later than fifteen (15) days after such information is made available by the Authority and shall promptly furnish such other information on the financial condition and affairs of the Authority as the Bank may reasonably request from time to time;

(f) Promptly upon their becoming available, copies of any non-routine periodic or special reports filed by the Authority with any governmental authority if such reports indicate any material adverse change in the business, operations, affairs or condition of the Authority and/or the LIPA Subsidiary, and copies of any material adverse notice or other material adverse communications from any governmental authority, its board or committee of its board which specifically relate to the operations of the Authority and/or the LIPA Subsidiary;

(g) Written notice of (i) any litigation, legal proceeding or dispute with any governmental agency or with any other party which if determined adversely to the Authority or the LIPA Subsidiary would have a material adverse effect on the Authority's or the LIPA Subsidiary's performance of its obligations under this GR Reimbursement Agreement or any Authority Document or Bank Document or the transactions contemplated hereby or thereby, (ii) failure by the Authority or the LIPA Subsidiary to pay and discharge any of its material obligations and liabilities when due and (iii) any breach of warranty, lack of correctness of warranty, event of default, breach of covenant or any lack of validity or contest as to validity in any Document to which the Authority or the LIPA Subsidiary is a party;

(h) As soon as reasonably available, copies of any material notices, certificates or other communications given to or received from the Trustee, the Issuing and Paying Agent, the Dealer or any Holder of 2015 GR-1 Notes pursuant to or in connection with the Authority Documents or the Bank Documents;

(i) As soon as available, and in any event within sixty (60) days after the end of each fiscal quarter of each Fiscal Year, a report of quarterly mark-to-market valuations of the Authority's Financial Contracts; and

(j) Such other information respecting the operations and properties, financial or otherwise, of the Authority and the LIPA Subsidiary as the Bank may from time to time reasonably request.

The Authority shall be deemed to have complied with the requirements to provide the information set forth in this Section 5.2 to the extent such information (i) has been duly posted

on the Authority's website (www.lipower.org) or (ii) has been duly filed with EMMA and is publicly available, in either case, within the time periods set forth above and the Authority shall have given the Bank notice of the same within the time periods set forth above.

Section 5.3. Further Assurances. From time to time hereafter, the Authority shall, and shall cause the LIPA Subsidiary to, execute and deliver such additional instruments, certificates or documents, and shall take all such actions as the Bank may reasonably request, for the purposes of implementing or effectuating the provisions of this GR Reimbursement Agreement and the Bank Documents, the Authority Documents or for the purpose of more fully perfecting or renewing the Bank's rights with respect to the rights, properties or assets subject to such Documents (or with respect to any additions thereto or replacements or proceeds thereof or with respect to any other property or assets hereafter acquired by the Authority which are or become a part thereof) pursuant hereto or thereto. Without limiting the generality of the foregoing, upon the exercise by the Bank of any power, right, privilege or remedy pursuant to this GR Reimbursement Agreement, the Bank Documents or the Authority Documents which requires any consent, approval, registration, qualification or authorization of any governmental authority or instrumentality, the Authority shall, and shall cause the LIPA Subsidiary to, execute and deliver all necessary applications, certifications, instruments and other documents and papers that may be required in order to obtain such governmental consent, approval, registration, qualification or authorization.

Section 5.4. Application of Proceeds. The Authority shall apply the proceeds of the 2015 GR-1 Notes solely and entirely to the purposes specified in the General Resolution and not in violation of any Legal Requirement.

Section 5.5. Compliance with Legal Requirements. The Authority shall comply and shall take all action necessary or advisable to cause others, including without limitation the LIPA Subsidiary, to comply in all material respects with all the Legal Requirements affecting the Authority and/or the LIPA Subsidiary, including all Legal Requirements, the non-compliance with which would materially adversely affect (a) the business, operations, assets, or condition (financial or otherwise) of the Authority or the LIPA Subsidiary and (b) the ability of the Authority or the LIPA Subsidiary to perform its obligations under the Authority Documents and the Bank Documents.

Section 5.6. Payment of Debt. The Authority shall (a) duly and punctually pay or cause to be paid all principal of and interest on any and all Debt of the Authority unless diligently contested in good faith and by appropriate proceedings by the Authority, subject to the exceptions, limitations and waivers set forth in the documents under which such Debt was incurred, (b) comply with and perform all conditions, terms and obligations of the notes or other instruments or agreements evidencing or securing such Debt, (c) promptly inform the Bank of any material default, or anticipated default, under any such note, agreement, or instrument, and (d) forward to the Bank a copy of any notice of default or notice of any event that might result in default under any such note, agreement or instrument.

Section 5.7. Authority Documents. The Authority agrees that it shall, and shall cause the LIPA Subsidiary to, perform and comply with each and every covenant and agreement required to be performed or observed by it or the LIPA Subsidiary, as the case may be, in the

Authority Documents and the Bank Documents which provisions, as well as related defined terms contained therein, are hereby incorporated by reference in this Section 5.7 with the same effect as if each and every such provision were set forth herein in its entirety, all of which shall be deemed to be made for the benefit of the Bank and enforceable by the Bank against the Authority, and which covenants, agreements, definitions and provisions shall continue in effect with regard to the Bank without regard or giving effect to any amendment or modification of such provisions or any waiver of compliance therewith unless consented to in writing by the Bank.

Section 5.8. Rate Covenant. The Authority shall establish and maintain System fees, rates, rents, charges and surcharges sufficient in each Fiscal Year so that Revenues reasonably expected to be produced in such Fiscal Year will be at least equal to the sum of (i) 110% of Debt Service with respect to Bonds, Parity Obligations and Subordinated Indebtedness payable by the Authority in such Fiscal Year, (ii) 100% of the Operating Expenses payable in such Fiscal Year, (iii) 100% of the amount necessary to pay all PILOTs payable in such Fiscal Year and (iv) 100% of the amount necessary to pay all other Required Deposits, all other payments required pursuant to the General Resolution, the Subordinated Resolution, this GR Reimbursement Agreement, the other Documents and all other payments required for the System, for such Fiscal Year, including, but not limited to, payments necessary to satisfy the Rate Stabilization Fund Requirement in accordance with Section 5.14 of this GR Reimbursement Agreement and payments of the principal of and interest on Permitted Subordinate Debt.

Section 5.9. Creation of Debt and Liens. The Authority shall not, and shall not permit the LIPA Subsidiary to: (i) issue, incur, assume, create or have outstanding any Debt payable from the Revenues or the Trust Estate; (ii) create, incur or permit to exist any Lien of any kind on the Revenues or the Trust Estate, other than, in either case, as expressly provided in or permitted by this GR Reimbursement Agreement, the General Resolution and the Subordinated Resolution or (iii) create, incur, assume or permit to exist any Lien with respect to any assets or Property now owned or hereafter acquired which generate Revenues or are used in connection with the System, other than mechanic's or materialman's Liens which are created in the ordinary course of business.

Section 5.10. Maintenance of Insurance.

(a) The Authority shall maintain or cause the LIPA Subsidiary to maintain with responsible insurers all insurance required and reasonably obtainable in the amounts and of the types customarily maintained by electric utilities consistent with prudent utility practice, to indemnify for loss of or damage to the System, and against public and other liabilities relating to the operations of the Authority, the LIPA Subsidiary and the System.

(b) The Authority shall also maintain or cause to be maintained any additional or other insurance which is required by the Financing Agreement or the System Agreements.

(c) Any insurance required to be maintained by this Section shall be in the form of policies or contracts for insurance with insurers of good standing qualified to do

business in the State and shall be payable to the Authority, the LIPA Subsidiary, the Trustee or the Bank, as their interests may appear.

(d) Any insurance procured and maintained by the Authority pursuant to this Section, including any blanket insurance policy, may include reasonable deductibles.

(e) No provision of this Section shall be construed to prohibit the Authority from self-insuring against any risk at the recommendation of an independent insurance consultant chosen by or acceptable to an Authorized Representative of the Authority; provided, however, that the Authority shall provide or cause to be provided adequate funding of such self-insurance if and to the extent recommended by such insurance consultant.

(f) The Authority shall file with the Bank annually a Certificate of an Authorized Representative of the Authority setting forth (i) a description in reasonable detail of the insurance then in effect pursuant to the requirements of this Section and that the Authority has complied in all respects with the requirements of this Section and (ii) if during such year any Property of the System has been damaged or destroyed and the amount necessary to repair such loss or damage is estimated to exceed the amount of insurance proceeds or expected Federal reimbursements covering such loss or damage by more than \$25 million, a summary of the loss or damage and the estimated reasonable and necessary costs of reconstruction or replacement.

Section 5.11. ERISA. The Authority shall, and shall cause each Subsidiary to, promptly pay and discharge all obligations and liabilities arising under ERISA of a character which if unpaid or unperformed may result in the imposition of a Lien against any of its Property, and shall promptly notify the Bank of (a) the occurrence of any reportable event (as defined in ERISA) for which the notice requirement has not been waived by the PBGC and which is reasonably likely to result in the termination by the PBGC of any Plan, (b) receipt of any notice from PBGC of its intention to seek termination of any such Plan or appointment of a trustee therefor, and (c) its intention to terminate or withdraw from any Plan, other than a “standard termination” meeting the requirements of Section 4041(b) of ERISA. The Authority shall not, and shall not permit any Subsidiary to, terminate any such Plan or withdraw therefrom unless it shall be in compliance with all of the terms and conditions of this GR Reimbursement Agreement after giving effect to any liability to PBGC resulting from such termination or withdrawal.

Section 5.12. Compliance with Laws, Etc. The Authority shall, and shall cause each of its Subsidiaries to, comply in all material respects with all Governmental Requirements and Legal Requirements, except where the failure to do so would not have a Material Adverse Effect.

Section 5.13. Taxes.

(a) Any and all payments by the Authority hereunder shall be made in accordance with Section 2.4 hereof and shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings (including backup withholding), assessments, fees or other charges imposed

by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto, and all liabilities with respect thereto, excluding, in the case of the Bank, (i) taxes imposed on its income and any withholdings in connection therewith, and franchise taxes imposed on it, by any jurisdiction under the laws of which the Bank is organized or any political subdivision thereof and taxes imposed on its income, and franchise taxes imposed on it, by any jurisdiction or any political subdivision thereof, and (ii) taxes imposed by Section 1471 through Section 1474 of the Internal Revenue Code of 1986, as amended (including any official interpretations thereof, regulations promulgated thereunder, and any amended or successor version thereof that is substantively comparable and not materially more onerous to comply with) (collectively “FATCA”) on any “withholdable payment” payable to the Bank as a result of the failure of such Person to satisfy the applicable requirements as set forth in FATCA (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as “Taxes”). If the Authority shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to the Bank, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 5.13) the Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Authority shall make such deductions and (iii) the Authority shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Authority agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this GR Reimbursement Agreement (hereinafter referred to as “Other Taxes”).

(c) The Authority shall indemnify the Bank for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 5.13) paid by the Bank and any liability (including penalties, interest and expenses, other than those penalties, interest or expenses arising from the gross negligence or willful misconduct of the Bank) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within thirty (30) days from the date the Bank makes written demand therefor. The Bank shall notify the Authority in writing reasonably promptly after determining that Taxes or Other Taxes may be payable hereunder. From time to time hereafter, upon the request of the Bank, the Authority will deliver such additional receipts, certificates or documents for the purposes of evidencing the Authority’s payment of Taxes and Other Taxes.

(d) If the Authority makes any additional payment to the Bank pursuant to this Section 5.13 in respect of any Taxes or Other Taxes, and the Bank determines that it has received (i) a refund of such Taxes or Other Taxes or (ii) a credit against or relief or remission for, or a reduction in the amount of, any tax or other governmental charge solely as a result of any deduction or credit for any Taxes or Other Taxes with respect to which it has received payments under this Section 5.13, the Bank shall, to the extent that

it can do so without prejudice to the retention of such refund, credit, relief, remission or reduction, pay to the Authority such amount as the Bank shall have determined to be attributable to the deduction or withholding of such Taxes or Other Taxes (not to exceed the amount the Bank previously received from the Authority pursuant to this Section 5.13), without interest. If the Bank later determines that it was not entitled to such refund, credit, relief, remission or reduction to the full extent of any payment made pursuant to the first sentence of this Section 5.13(d), the Authority shall upon demand of the Bank promptly repay the amount of such overpayment. Any determination made by the Bank pursuant to this Section 5.13(d) shall in the absence of bad faith or manifest error be conclusive, and nothing in this Section 5.13(d) shall be construed as requiring the Bank to conduct its business or to arrange or alter in any respect its tax or financial affairs so that it is entitled to receive such a refund, credit or reduction or as allowing any person to inspect any records, including tax returns, of the Bank.

(e) Without prejudice to the survival of any other agreement of the Authority hereunder, the obligation of the Authority under this Section shall survive the termination of the Letter of Credit and this GR Reimbursement Agreement and the payment of all amounts owing to the Bank hereunder and under the other Documents; *provided*, that the Bank shall not be entitled to demand any payment under this Section 5.13 more than one year following the last day of the fiscal year of the Bank during which the liability in respect of such Taxes or Other Taxes was incurred; *provided further, however*, that the foregoing proviso shall in no way limit the right of the Bank to demand or receive any payment under this Section 5.13 to the extent that such payment relates to the retroactive application of any Taxes or Other Taxes if such demand is made within one year after the implementation of such Taxes or Other Taxes.

Section 5.14. Maintenance of Rate Stabilization Fund. The Authority shall at all times maintain on deposit in the Rate Stabilization Fund an amount not less than \$150,000,000 (the “Rate Stabilization Fund Requirement”); *provided, however*, that the failure to maintain such amount shall not constitute an Event of Default hereunder so long as (i) any such deficiency is cured within a period not exceeding thirty (30) days following the initial date of such deficiency, *provided, further, however*, that if such deficiency cannot be cured without increasing System fees, rates and charges, such deficiency shall be cured within one hundred twenty (120) days following the implementation of the increase in System fees, rates or charges but in no event later than one hundred eighty (180) days following the initial date of such deficiency and (ii) until such deficiency has been cured, no amounts of Revenues shall be used by the Authority for any purpose other than for the satisfaction of the obligations set forth in paragraphs FIRST through FIFTH of Section 505(a) of the General Resolution. Nothing contained in this Section 5.14 shall prohibit the Authority from curing any deficiency in the Rate Stabilization Fund by depositing unencumbered cash on hand from sources other than Revenues into the Rate Stabilization Fund subject to the grace periods set forth above.

Section 5.15. Covenants of Subsidiary. The Authority shall cause the LIPA Subsidiary to fully comply with any and all of its obligations, agreements and covenants set forth in the Financing Agreement and any other Document to which it is a party, including without limitation its obligation to maintain insurance under Section 6.11 of the Financing Agreement.

Section 5.16. Sovereign Immunity. To the extent permitted by law, in the event the Authority has or hereafter acquires under any applicable law any right of immunity from set-off or legal proceedings on grounds of sovereignty or otherwise, the Authority hereby waives such rights to immunity for itself in all disputes or legal actions brought by the Bank with respect to obligations of the Authority arising under this GR Reimbursement Agreement or any other Document to which the Authority or any of its Subsidiaries is a party.

Section 5.17. Environmental Covenant. The Authority shall, and shall cause the LIPA Subsidiary to:

(a) except as disclosed in the Offering Memorandum, use and operate all of its facilities and Properties in compliance with all Environmental Laws where the failure to do so could reasonably be expected to result in a Material Adverse Effect, keep all material permits, approvals, certificates, licenses and other authorizations relating to environmental matters in effect and remain in material compliance therewith, and handle all hazardous materials in material compliance with all applicable Environmental Laws;

(b) immediately notify the Bank and provide copies upon receipt of all material written claims, complaints, notices or inquiries relating to the condition of its facilities and Property or compliance with Environmental Laws, and shall promptly cure and have dismissed, to the reasonable satisfaction of the Bank, any actions and proceedings relating to compliance with Environmental Laws, *provided* that the foregoing shall not prevent the Authority from contesting any claim, complaint, action or proceeding so long as such contest is prosecuted with reasonable diligence and its prosecution could not reasonably be expected to result in a Material Adverse Effect; and

(c) provide such information and certifications which the Bank may reasonably request from time to time to evidence compliance with this Section 5.17.

Section 5.18. Investment of Funds. The Authority shall cause all moneys held in the funds and accounts of the Authority established under the General Resolution, including without limitation the Revenue Fund, the Operating Expense Fund, the Debt Service Fund, the Parity Contract Obligations Fund, the Subordinated Indebtedness Fund, the Construction Fund, the Subsidiary Unsecured Debt Fund, the PILOTs Fund and the Rate Stabilization Fund, to be invested in Permissible Investments; *provided* that in no event shall any such investment be made by purchasing securities on margin or by otherwise investing or compounding the dollar amount of such investment by obtaining loans or issuing debt.

Section 5.19. Ratings. The Authority shall provide to the Bank on each anniversary of the Original Closing Date written reports from each of the Rating Agencies then maintaining the described ratings, indicating the then current long-term debt ratings on the Authority's unenhanced Bonds (or if there is no unenhanced Bonds outstanding, then the unenhanced senior long-term debt rating of the Authority). Additionally, the Authority shall promptly provide the Bank with written notice of any rating reduction, change, suspension, withdrawal or unavailability of any debt rating assigned to the Bonds or the Subordinated Indebtedness.

Section 5.20. PILOT. The Authority shall cause to be timely paid such amounts as are payable in respect of PILOT in accordance with the Act.

Section 5.21. Credit Facilities. In the event that the Authority has or shall, directly or indirectly, enter into or otherwise consent to any credit agreement, bond purchase agreement, liquidity agreement, direct purchase agreement or other agreement or instrument (or any amendment, supplement or modification thereto) under which, directly or indirectly, any Person or Persons undertakes to make or provide funds to purchase, or otherwise extend credit or liquidity for, any obligations or indebtedness secured by a pledge, lien or charge upon any of the Revenues senior to or on a parity with the lien of the 2015 GR-1 Notes (each such agreement referred to herein as a “Bank Agreement”), which such Bank Agreement (or amendment thereto) provides such Person with more restrictive financial tests, covenants and ratios, different or more restrictive events of default or greater rights and remedies for default (including rights of acceleration, declaration of mandatory tender, or amortization of bank bonds), and/or greater rights with respect to the security for Parity Reimbursement Obligations than are provided to the Bank in this GR Reimbursement Agreement (collectively, the “Incorporated Provisions”), the Authority shall provide the Bank with a copy of each such Bank Agreement and such Incorporated Provisions shall automatically be incorporated into the respective Article of this GR Reimbursement Agreement and the Bank shall have the benefits of such Incorporated Provisions as if specifically set forth herein, but only for the period during which such Bank Agreement remains in force and effect. The Authority shall promptly enter into an amendment to this GR Reimbursement Agreement to include such Incorporated Provisions (provided that the Bank shall maintain the benefit of such Incorporated Provisions even if the Authority fails to provide such amendment). Notwithstanding the foregoing, this Section 5.21 does not apply to any provisions other than those set forth above and, in particular, does not apply to different or higher fees, different or higher interest rates or different or higher drawn pricing set forth in any such Bank Agreement. For purposes of clarification, “financial tests, covenants and ratios” refers to covenants to maintain coverage ratios at certain levels prior to the incurrence of additional debt, covenants to maintain certain liquidity levels, covenants to maintain certain rating levels, rating thresholds with respect to events of default and similar financial covenants and agreements to deliver financial information and other information within a specified time period.

Section 5.22. Dealers. The Authority shall cause at least one Dealer to be appointed at all times while 2015 GR-1 Notes are outstanding. The Authority shall not remove the Dealer unless the Authority shall have made provision for a successor Dealer reasonably acceptable to the Bank to assume the duties thereof immediately upon such removal. Any dealer agreement with a successor Dealer shall provide that (a) such successor Dealer may resign upon at least thirty (30) days prior written notice to the Trustee, the Bank, and the Authority, and (b) such successor Dealer shall use its best efforts to sell the 2015 GR-1 Notes pursuant to the General Resolution (without regard to whether the Bank Rate then applicable to the 2015 GR-1 Notes would be greater than or less than the interest rate that would be borne by the 2015 GR-1 Notes, and, as necessary, at a rate up to and including the maximum rate permitted under the General Resolution).

Section 5.23. Licenses and Permits. The Authority shall maintain all licenses and permits necessary to own and operate the System.

Section 5.24. Access to Commercial Paper Reporting System. The Authority shall cause the Issuing and Paying Agent to provide the Bank with read-only access to the online commercial paper trade reporting system of the Issuing and Paying Agent with respect to the 2015 GR-1 Notes and to any other electronic platform as required by the Bank to fulfill the Bank's regulatory reporting needs with respect to the 2015 GR-1 Notes.

Section 5.25. Maintenance of Ratings. The Authority shall cause to be maintained at least: (i) two Debt Ratings at all times (provided, however, that (a) in no event may the Authority terminate or request a withdrawal of a Debt Rating in order to cure a Potential Default or Event of Default or to reduce the Letter of Credit Fee Rate and (b) if the Authority terminates or requests a withdrawal of the then lowest Debt Rating, such termination or withdrawal shall not in and of itself result in a change in pricing, including, without limitation, the Letter of Credit Fee Rate); and (ii) one long-term rating assigned to the Bank Note.

ARTICLE VI

NEGATIVE COVENANTS OF THE AUTHORITY

Until the later of the Termination Date and the date that all Payment Obligations are paid in full, unless the Bank otherwise expressly consents in writing:

Section 6.1. Negative Covenants. The Authority shall not:

(a) **Amendments to Organizational Documents.** Amend, supplement, or otherwise modify its organizational documents in any way which could reasonably be expected to materially impair its ability to carry out its obligations under this GR Reimbursement Agreement, or adversely affect the rights and remedies of the Bank hereunder and under the Documents;

(b) **Documents.** Enter into or consent to any amendment to, modification of or waiver of compliance with the provisions of any of the Documents, except that the Authority may amend, modify or waive any term or provision with respect to any Document (other than this GR Reimbursement Agreement and the Fee Annex and, with respect to this GR Reimbursement Agreement and the Fee Annex, the amendments, supplements and modifications to which shall be governed by Section 8.2 hereof) in a manner (i) not relating to the duties, obligations or rights of the Bank under this GR Reimbursement Agreement, as determined in the Bank's reasonable discretion, or (ii) not having an adverse effect, as determined in the Bank's reasonable discretion, on (x) the ability of the Authority to pay when due the principal of or interest on the 2015 GR-1 Notes and the obligations of the Authority under this GR Reimbursement Agreement and the Bank Note or (y) the security, rights or remedies of the Bank hereunder or under any other Document or the Bank Note. In connection with any such amendment, modification or waiver, the Authority agrees to deliver to the Bank copies of all such amendments, modifications or waivers at least fifteen (15) calendar days prior to the effective date thereof. The Bank shall, within ten (10) calendar days after receiving such copies, inform the Authority in writing if, in the Bank's reasonable discretion, such

amendment, modification or waiver requires the prior written consent of the Bank in accordance with this Section 6.1(b);

(c) Adverse Agreements. Enter into, or permit the LIPA Subsidiary to enter into, any contract, agreement or transaction which would reasonably be foreseen by the Authority to materially and adversely affect its or the LIPA Subsidiary's business, Property, assets, operations, condition (financial or otherwise), or its or the LIPA Subsidiary's ability to perform its obligations under any of the Documents;

(d) Loans or Guarantees. Make, or permit the LIPA Subsidiary to make, any advances, loans or other investments, other than those involving prime money market investments or investments otherwise authorized under the terms of this GR Reimbursement Agreement, the General Resolution or the Subordinated Resolution, or guarantee the obligations of any Person; or

(e) Additional Debt. Except in the case of Refunding Bonds issued pursuant to Section 206 of the General Resolution, issue or permit the LIPA Subsidiary to issue any Bonds, Parity Obligations, Subordinated Indebtedness or other Debt payable from or secured by Revenues (collectively, "Additional Debt") unless the Bank receives the following:

(i) A Certificate of an Authorized Representative of the Authority setting forth (1) the Revenues for any twelve (12) consecutive calendar months out of the eighteen (18) calendar months immediately preceding the month in which such Additional Debt is to be issued, (2) the Debt Service for all Outstanding Bonds and Subordinated Indebtedness and the amount payable under all Parity Obligations during such twelve-month period for which Revenues are determined in accordance with clause (1) above, excluding in each case any amount thereof paid from sources other than Revenues, and (3) the sum of the Required Deposits for such twelve-month period (excluding Required Deposits for the payment of Outstanding Bonds, Subordinated Indebtedness, and Parity Obligations which are captured in clause (2) above), all other payments required pursuant to the General Resolution, the Subordinated Resolution, any Credit Facility (and any related reimbursement agreement), Subordinated Credit Facility (and any related reimbursement agreement), or any other Document, and all other payments required for the System for such twelve-month period, including but not limited to payments necessary to satisfy the Rate Stabilization Fund Requirement in accordance with Section 5.14 hereof and payments of the principal of and interest on Permitted Subordinate Debt, and showing that the amount set forth in clause (1) is at least equal to the sum of (x) 110% of the amount set forth in clause (2) and (y) 100% of the amount set forth in clause (3); or

(ii) A Certificate of a Rate Consultant setting forth (A) the estimated Revenues for each of the full Fiscal Years in the period beginning with the Fiscal Year in which such Additional Debt is to be issued and ending with the fifth full Fiscal Year after the date such Additional Debt is to be issued, (B) the estimated Debt Service for all Bonds and Subordinated Indebtedness and estimated amounts

payable under all Parity Contract Obligations, during each Fiscal Year for which Revenues are estimated, (C) the projected Debt Service for all Bonds and Subordinated Indebtedness, including such Additional Debt, and projected amounts payable under Parity Contract Obligations, projected to be issued for any purpose during each Fiscal Year for which Revenues are estimated, and (D) the sum of the estimated and projected Required Deposits for each such Fiscal Year (excluding Required Deposits for the payment of Outstanding Bonds, Subordinated Indebtedness and Parity Obligations which are captured in clause (C) above), all other payments required pursuant to the General Resolution, the Subordinated Resolution, any Credit Facility (and any related reimbursement agreement), Subordinated Credit Facility (and any related reimbursement agreement), or any other Document, and all other payments required for the System for such twelve-month period, including but not limited to payments necessary to satisfy the Rate Stabilization Fund Requirement in accordance with Section 5.14 hereof and payments of the principal of and interest on Permitted Subordinate Debt, and showing that for each such Fiscal Year the amount set forth in clause (A) is at least equal to the sum of (x) 110% of the sum of the amounts set forth in clauses (B) and (C), and (y) 100% of the amount set forth in clause (D). The Rate Consultant may base its estimates and projections upon such factors as it shall consider reasonable, a statement to which effect shall be included in such Certificate.

For purposes of this Section 6.1(e), (1) Revenues shall include any amount withdrawn in any Fiscal Year from the Rate Stabilization Fund which was on deposit therein prior to such Fiscal Year, (2) Revenues shall not include any proceeds from the sale of assets of the LIPA Subsidiary or proceeds of insurance, and (3) any Debt Service for Bonds or Subordinated Indebtedness, Parity Contract Obligations and Required Deposits shall not include any amounts thereof expected by the Authority to be paid from any funds, other than the Revenues, reasonably expected by the Authority to be available therefor (including, without limitation, the anticipated receipt of proceeds of sale of Bonds or Subordinated Indebtedness, or moneys not a part of the Trust Estate, expected by the Authority to be used to pay the principal of Bonds, Parity Obligations, Subordinated Indebtedness or Subsidiary Unsecured Debt).

Section 6.2. Acquisitions. The Authority shall not, and shall not permit any Subsidiary to, make or commit to make acquisitions of any Person or substantially all of its assets (each an “Acquisition”); *provided, however*, that the Authority and any Subsidiary each may make Acquisitions if: (i) the Authority or such Subsidiary acquires by reason of such Acquisition either (x) assets used or useful in a business which is the same or similar to that currently conducted by the Authority or (y) the capital stock of a corporation or any other equity interest of any partnership or other firm engaged in such a same or similar business and after giving effect to such Acquisition, the corporation, partnership or other such firm so acquired becomes a Subsidiary; (ii) no Potential Default or Event of Default exists or would exist at the time of or after giving effect to such Acquisition; (iii) the Authority provides the Bank a statement, certified as true and correct by an Authorized Representative, which describes the feasibility and benefits of such Acquisition and includes a forecast of projected operating results for the remainder of the Fiscal Year in which such Acquisition takes place and the next succeeding Fiscal Year, in each case after giving effect to such Acquisition, such certificate to be accompanied by supporting

financial projections based on reasonable assumptions; (iv) the Board of Directors or other governing body of such Person whose property or voting stock is being so acquired has approved the terms of such Acquisition; and (v) the Authority has provided the Bank such financial and other information regarding the Person whose property or voting stock is being so acquired, including historical financial statements, and a description of such Person, as the Bank may reasonably request.

Section 6.3. Substitute Credit Facility. The Authority shall not substitute an Alternate Liquidity Facility or Alternate Credit Facility for the Letter of Credit unless (i) the Authority shall have given the Bank at least thirty (30) days' prior written notice, (ii) contemporaneously with the effectiveness of such Alternate Liquidity Facility or Alternate Credit Facility all obligations of the Authority owing to the Bank hereunder and under the Bank Note are paid in full, including without limitation any Payment Obligations and any Unreimbursed Amounts and Bank Loans plus accrued and unpaid interest thereon and any termination fee due and owing hereunder to but excluding the date such Alternate Liquidity Facility or Alternate Credit Facility becomes effective and (iii) the Authority has complied with Section 2.6 hereof.

Section 6.4. Mergers, Consolidations and Sales.

(a) The Authority shall not, and shall not permit any Subsidiary to be a party to any merger or consolidation, or sell, transfer, lease (including, without limitation, any long-term lease with respect to the System, the Property of the Authority or any substantial portion thereof), or otherwise dispose of (whether in a single transaction or a series of transactions) all or any substantial part of its Property, including any disposition of Property as part of a sale and leaseback transaction, or in any event sell or discount (with or without recourse) any of its notes or accounts receivable; provided that the foregoing shall not operate to prevent (i) any such transaction that could not reasonably be expected to have a Material Adverse Effect, (ii) any Subsidiary from merging into the LIPA Subsidiary or into any other wholly-owned Subsidiary (in each case, so long as the LIPA Subsidiary or such Subsidiary, as applicable, is the surviving entity and remains a subsidiary of the Authority) or (iii) transactions related to Separately Financed Projects (so long as the Payment Obligations under this GR Reimbursement Agreement and any debt service on Bonds, Parity Obligations and all other Debt issued or incurred by or on behalf of the Authority secured by a senior lien on Revenues or Subordinated Indebtedness issued and outstanding are not and may not be payable from or secured by the revenues generated by such Separately Financed Project). The term "substantial" as used herein means, as to the Authority or any Subsidiary, the sale, transfer, lease or other disposition of 10% or more of the total assets of such Person (whether in a single transaction or a series of transactions); provided, however, that a disposition of the LIPA Subsidiary's interest in the Nine Mile Point 2 Nuclear Power Plant shall not constitute the disposition of a substantial part of the assets of the Authority or the LIPA Subsidiary for purposes of this Section 6.4.

(b) Until the later of the (i) Termination Date and (ii) the date that all the Payment Obligations are paid in full, the Authority shall not permit the occurrence of any Privatization.

Section 6.5. Transactions with Affiliates. The Authority shall not, and shall not permit any Subsidiary to, enter into any transaction, including without limitation, the purchase, sale, lease or exchange of any Property, or the rendering of any service, with any Affiliate of the Authority except pursuant to the reasonable requirements of the Authority's or such Subsidiary's business and upon fair and reasonable terms no less favorable to the Authority or such Subsidiary than would be obtained in a comparable arm's-length transaction with a Person not an Affiliate of the Authority or such Subsidiary.

Section 6.6. Tax Covenant. The Authority shall not take or omit to take any action which would cause interest on the Series 2015 GR-1 Tax-Exempt Notes to be included in the gross income of any Owner thereof for Federal income tax purposes by reason of subsection (b) of Section 103 of the Code. Without limiting the generality of the foregoing, no part of the proceeds of the Series 2015 GR-1 Tax-Exempt Notes or any other funds of the Authority shall be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause the Series 2015 GR-1 Tax-Exempt Notes to be an "arbitrage bond" as defined in Section 148 of the Code and to be subject to treatment under subsection (b)(2) of Section 103 of the Code as an obligation not described in subsection (a) of said Section.

Section 6.7. No Debt to Be Issued by LIPA Subsidiary. From and after the Original Closing Date, the Authority shall not permit the LIPA Subsidiary or any other Subsidiary of LIPA to issue or incur any Debt, provided, however, that the foregoing shall not prohibit the LIPA Subsidiary or any other Subsidiary of LIPA from entering into obligations the payment of which would constitute (i) Operating Expenses, (ii) (x) Capital Leases which are payable from funds withdrawn from the Revenue Fund as permitted by Section 505(b) of the General Resolution or (y) Capital Leases which constitute Parity Contract Obligations providing for total principal payments of not more than \$100,000,000 (iii) Supply Contracts in an aggregate principal amount of not more than \$250,000,000, or (iv) other Debt evidenced by bonds, indentures, notes or other similar instruments with Debt Service Components in an aggregate principal amount of not more than \$50,000,000; *provided, however*, that any such Capital Lease or Supply Contract (to the extent that payments thereunder are intended to be payable as a Parity Contract Obligation), or other Debt is issued or incurred in accordance with the limitations set forth in Section 207(e) of the General Resolution for "Parity Contract Obligations."

Section 6.8. No Disposition of LIPA Subsidiary. The Authority shall not hereafter transfer, sell or otherwise dispose of or encumber or grant a security interest in, any common or preferred stock or other evidence of the Authority's equity interest in the LIPA Subsidiary.

Section 6.9. Offering Documents. The Authority shall not change any reference to the Bank in the Disclosure Materials without the Bank's prior written consent thereto. The Authority shall not make reference to any financial information relating to the Bank or the Bank's long or short term debt ratings in any offering document without the Bank's prior written consent thereto.

Section 6.10. GR Note Maturity. The Authority shall not, and shall not allow the Issuing and Paying Agent to, issue any 2015 GR-1 Note with a term longer than two hundred seventy-five (275) days.

ARTICLE VII

DEFAULT; EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default. “Event of Default” means any of the following events:

(i) The Authority shall fail to pay to the Bank when due (whether upon demand or otherwise) any of the Payment Obligations or shall fail to remit or deposit funds as and when required by this GR Reimbursement Agreement, by the General Resolution or by the 2015 GR-1 Notes; or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents on its part to be observed or performed (other than a failure referred to in clause (i) of this Section 7.1), and (A) in the case of the covenants set forth in Sections 5.1, 5.4, 5.8, 5.9, 5.13, 5.14, 5.16, 5.22, 5.23, 5.25, 6.1, 6.2, 6.3(ii), 6.4, 6.5, 6.7, 6.8, or 6.10 hereof, such failure shall not have been cured prior to the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by the Bank, or (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such failure shall not have been cured within thirty (30) days after the earlier to occur of (i) the date of delivery of written notice of such failure to the Authority by the Bank, and (ii) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to, or the subject of, a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or restriction or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary,

(B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority's or the LIPA Subsidiary's assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents, Authority Documents or Subsidiary Documents, or in this GR Reimbursement Agreement, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to this GR Reimbursement Agreement, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in application of GAAP, such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of this GR Reimbursement Agreement, the Authority Documents, or any other Document (other than the 2015 GR-1 Letter of Credit) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party) shall deny that it has any or further liability or obligation under this GR Reimbursement Agreement, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds,

individually or in the aggregate, \$25,000,000, and such failure results in an acceleration, or a mandatory tender, of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-1 Notes or any other Debt payable from Revenues when due or any Parity Contract Obligations or any Financial Contract that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations, or any other event or condition shall occur which would permit any holder, credit provider or other entity to cause the principal of any such Bonds or Parity Contract Obligations or other Debt payable from Revenues, any Parity Contract Obligations or any Financial Contract, to become due prior to its stated maturity or scheduled payment date, whether pursuant to acceleration, mandatory tender, mandatory redemption or otherwise; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group, shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC or to a Plan under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority or any of its Subsidiaries shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority or any of its Subsidiaries secured by or payable from the Trust Estate that is senior to or on a parity with the 2015 GR-1 Notes or (b) any Governmental Authority having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a

judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-1 Notes or any other indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate or payable from Revenues; or

(xv) The long-term unenhanced rating by any of the Rating Agencies then rating the Bonds or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below “Baa3” (or its equivalent) by Moody’s, “BBB-” (or its equivalent) by S&P, or “BBB-” (or its equivalent) by Fitch.

Section 7.2. Remedies. Upon the occurrence and continuance of an Event of Default, the Bank may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date of the Bank Note and all Unreimbursed Amounts and Bank Loans together with all interest thereon and thereafter all such amounts shall become immediately due and payable and shall bear interest at the Default Rate until paid in full; *provided, however*, that such acceleration shall occur and all such amounts shall become immediately due and payable immediately upon the occurrence of an Event of Default set forth in Section 7.1(iii) or 7.1(iv) hereof;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-1 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-1 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-1 Notes, by delivering to the Issuing and Paying Agent a Notice of No Issuance in the form Annex F to the Letter of Credit;

(d) issue a Final Drawing Notice (the effect of which shall be to cause the Termination Date of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if the Bank were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by the Bank of the remedy contained in clause (c) or (d) of this Section 7.2, the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

Section 7.3. Set Off.

(a) In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuance of any Event of Default, the Bank is hereby authorized at any time and from time to time, without notice to the Authority (any such notice being expressly waived by the Authority) and to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Bank to or for the credit or the account of the Trust Estate of the Authority against and on account of any and all of the obligations of the Authority now or hereafter existing under this GR Reimbursement Agreement, the Bank Note, or the Letter of Credit, irrespective of whether or not the Bank shall have made any demand hereunder or thereunder and although such obligations may be unmatured. All amounts realized by the Bank upon exercise of the set-off rights set forth herein shall be held and applied by the Bank on a parity basis for the benefit of the Trustee (as defined in the General Resolution) to be distributed in accordance with the terms of the General Resolution; *provided, however*, that the foregoing sentence shall be of no force and effect so long as any Bank Agreement contains a provision permitting the provider thereunder to set off obligations owed to it without regard to the terms of the General Resolution.

(b) To the extent the Bank exercises its right of setoff, and the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Bank) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or as otherwise legally mandated, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such setoff had not occurred.

Section 7.4. Remedies Cumulative. All remedies provided for in this GR Reimbursement Agreement are cumulative and shall be in addition to any and all other rights and remedies available under the Authority Documents, the Bank Documents or any other document or at law or equity. No exercise of any right or remedy shall in any way constitute a cure or waiver of any Event of Default hereunder, or invalidate any act done pursuant to any notice of default, or prejudice the exercise of any other right or remedy available to the Bank. No failure to exercise, and no delay in exercising, any right or remedy shall operate as a waiver or otherwise preclude enforcement of any of the Bank's rights and remedies, nor shall any single or partial exercise of any right or remedy preclude any further exercise thereof or of any other right or remedy. The Bank need not resort to any particular right or remedy before exercising or enforcing any other.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Notices. All notices and other communications hereunder shall be in writing and shall be delivered by hand, by telex, by telefax, by electronic mail, by prepaid

telegram, or by registered or certified United States mail, return receipt requested (postage prepaid), to the notice addresses set forth below or to such other addresses or payment instructions as the parties may provide to one another in accordance with this Section. Such notices and other communications shall, if sent by mail in accordance with this Section, be deemed given three Business Days after deposit in the United States mail, and if sent by any other method, shall be effective only if and when received by the addressee.

Address for notices to the Authority:

[REDACTED]

and copy to:

[REDACTED]

Address for notices to the Bank:

If to the Bank regarding credit matters:

[REDACTED]

If to the Bank regarding operational matters:

[REDACTED]

With a copy to:

[REDACTED]

Wire instructions for paying account with respect to Letter of Credit Fees:

[REDACTED]

Wire instructions for paying account with respect to Reimbursement Obligations:

[REDACTED]

Wire instructions for paying account with respect to the Upfront Fee:

[REDACTED]

Section 8.2. Amendments, Waivers, Etc. No amendment or waiver of any provision of this GR Reimbursement Agreement or other Bank Document, nor consent to any departure by the Authority herefrom or therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Amendments to any provision of this GR Reimbursement Agreement (or any other Bank Document requiring New York Attorney General and New York State Comptroller approval) shall be subject to approval by the New York Attorney General and New York State Comptroller.

Section 8.3. Indemnification.

(a) To the extent permitted by law, in addition to its other obligations hereunder the Authority hereby agrees to indemnify and hold harmless the Bank, its affiliates, officers, directors, employees and agents (collectively, the “Indemnitees”) from and against any and all claims, damages, losses, liabilities, costs or expenses (including reasonable fees and expenses of counsel) that the Indemnitees may incur (or that may be claimed against the Indemnitees by any Person) in connection with the Disclosure Materials, the offering and sale of the 2015 GR-1 Notes, the issuance of the Bank Note, the issuance by the Bank of the Letter of Credit or any other Bank Document; *provided, however,* that the Authority shall not be required to indemnify the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent caused by (i) the Bank’s willful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit, (ii) the Bank’s willful failure to make lawful payment under the Letter of Credit after the presentation to it by the Issuing and Paying Agent of a certificate strictly complying with the terms and conditions of the Letter of Credit or (iii) any written information provided by the Bank specifically for inclusion in the Disclosure Materials.

(b) To the fullest extent permitted by applicable law, the Authority shall not assert, and hereby waives, any claim against any Indemnatee and the Bank shall not assert, and hereby waives, any claim against the Authority, in each case, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this GR Reimbursement Agreement, any other Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the use of the proceeds thereof.

(c) Nothing in this Section is intended to limit the obligations of the Authority contained in Article 2. Without prejudice to the survival of any other obligation of the Authority hereunder, the indemnities and obligations of the Authority contained in this Section shall survive performance of all obligations hereunder and the termination of the Letter of Credit, the exercise by the Bank of any of its remedies under this GR Reimbursement Agreement or any other Bank Document and the repayment of all amounts owing to the Bank hereunder and under the other Documents.

Section 8.4. Liability of the Bank. As to the Bank, the Authority assumes all risks of the acts or omissions of the Trustee and the Issuing and Paying Agent with respect to their use of the Letter of Credit and the proceeds thereof; *provided, however,* that this assumption is not intended to, and shall not, preclude the Authority from pursuing such rights and remedies as it may have against the Trustee or the Issuing and Paying Agent at law or under any other agreement. Neither the Bank nor any of its officers, directors, employees or agents shall be liable or responsible for:

(a) the use made of the Letter of Credit or any proceeds of the Letter of Credit or for any acts or omissions of the Trustee or the Issuing and Paying Agent;

(b) the validity, sufficiency or genuineness of any documents, or endorsements, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged;

(c) payment by the Bank against presentation of documents which do not comply with the terms of the Letter of Credit, including failure of any documents to bear adequate reference to the Letter of Credit; or

(d) any other circumstances in making or failing to make payment under the Letter of Credit;

provided, however, that the Authority shall have a claim against the Bank, and the Bank shall be liable to the Authority for direct, but not consequential, damages suffered by the Authority which were caused solely by the willful misconduct or gross negligence of the Bank in connection with drawings under the Letter of Credit. By way of amplification, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. Subject to the foregoing, the determination of whether a Drawing has been presented under the Letter of Credit prior to the Termination Date or whether a Drawing under the Letter of Credit or any accompanying document or instrument is in proper and sufficient form shall be made by the Bank in its sole discretion, which determination shall be conclusive and binding upon the Authority. The Authority hereby waives any right to object to any payment made under the Letter of Credit against a Drawing with accompanying documents in the forms provided for in the Letter of Credit but varying in punctuation, capitalization, spelling or similar matters of form.

Section 8.5. Successors and Assigns. This GR Reimbursement Agreement is a continuing obligation and shall be binding upon the Bank, the Authority, and their respective successors, transferees and assigns, and shall inure to the benefit of and be enforceable by the Bank, the Authority and their respective successors, transferees and assigns; *provided, however*, that the Authority shall not assign all or any part of this GR Reimbursement Agreement or the Bank Note without the prior written consent of the Bank.

Section 8.6. Governing Law. This GR Reimbursement Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York (including New York General Obligations Laws 5 1401 and 5 1402).

Section 8.7. Survival of Warranties. All agreements, representations and warranties made in this GR Reimbursement Agreement and in any related certificates shall survive the execution and delivery of this GR Reimbursement Agreement and the issuance and expiration of the Letter of Credit and the repayment of the 2015 GR-1 Notes, and shall continue until any and all the Payment Obligations shall have been paid and performed in full.

Section 8.8. Severability. Any provision of this GR Reimbursement Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 8.9. Counterparts. This GR Reimbursement Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

Section 8.10. Time of Essence. Time is of the essence of this GR Reimbursement Agreement and of each provision in which time is an element.

Section 8.11. Headings. Article, section and other headings in this GR Reimbursement Agreement are for convenience of reference only and shall not constitute a part of this GR Reimbursement Agreement for any other purpose.

Section 8.12. Independence of Covenants. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any one of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitations of, another covenant shall not avoid the occurrence of an Event of Default if such action is taken or condition exists.

Section 8.13. Current Rating. The Bank shall use its commercially reasonable efforts to notify the Authority of any reduction of its long-term or short-term unsecured debt rating; *provided, however*, that the Bank's failure to provide the Authority any such notice will not affect the obligations of the Authority under this GR Reimbursement Agreement; and, *provided, further*, that the Bank shall not be liable for any consequential damages in the event it fails to provide the Authority any such notice.

Section 8.14. Entire Agreement. This GR Reimbursement Agreement, including Exhibits A-F, Appendix A, Standard Clauses, and the Fee Annex, together with the other Bank Documents, integrates all of the terms and conditions mentioned herein and therein or incidental hereto or thereto, and supersedes all negotiations or prior or contemporaneous agreements, whether written or oral, between the parties hereto with respect to the subject matter hereof and thereof.

Section 8.15. No Personal Liability. Notwithstanding anything to the contrary contained herein or in any of the other Authority Documents or Bank Documents, no stipulation, covenant, agreement or obligation contained herein or therein shall be deemed or construed to be a stipulation, covenant, agreement or obligation of any present or future trustee, officer, employee or agent of the Authority or the Bank, or of any incorporator, trustor, member, director, trustee, officer, employee or agent of any successor to the Authority or the Bank, in any such Person's individual capacity, and no such Person, in his or her individual capacity, shall be liable personally for any breach or nonobservance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had against any present or future trustee, officer, employee or agent of the Authority for the performance or payment of the Payment Obligations or against any present or future trustee, officer, employee or agent of the Authority or the Bank for any claim based thereon or on any such stipulation, covenant, agreement or obligation, against any such Person, in his or her individual capacity, either directly or through the Authority or the Bank or any successor to the Authority or the Bank, under any rule of law or equity, statute or constitution or by the

enforcement of any assessment or penalty or otherwise, and all such liability of any such Person, in his or her individual capacity, is hereby expressly waived and released.

Section 8.16. Usury. This GR Reimbursement Agreement is subject to the express condition that at no time shall the Authority be obligated or required to pay interest on any Payment Obligations at a rate that could subject the Bank to either civil or criminal liability as a result of such rate being in excess of the maximum interest rate that the Authority is permitted by law to contract or agree to pay. If the rate of interest payable on any obligation hereunder or under the Bank Note shall exceed the Maximum Rate for any period for which interest is payable, then (a) interest at the Maximum Rate shall be due and payable with respect to such interest period, and, to the extent permitted by law, (b) interest at the rate equal to the difference between (i) the rate of interest calculated in accordance with the terms hereof and (ii) the Maximum Rate (the “Excess Interest”), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Authority shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Bank to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to the Bank. To the extent permitted by law, upon the date all Payment Obligations are payable hereunder following the termination of the Letter of Credit, in consideration for the limitation of the rate of interest otherwise payable hereunder, the Authority shall pay to the Bank a fee equal to the amount of all unpaid deferred Excess Interest. Any Excess Interest shall, to the extent permitted by law, bear interest at the Bank Rate until paid in full.

Section 8.17. Participations. The Bank may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this GR Reimbursement Agreement, the other Bank Documents and the other Documents (including, without limitation, all or a portion of the Letter of Credit and the Payment Obligations owing to it); *provided, however,* that (i) the Bank’s obligations under this GR Reimbursement Agreement (including, without limitation, its Letter of Credit and the Payment Obligations owing to it hereunder) shall remain unchanged, (ii) the Bank shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Authority shall continue to deal solely and directly with the Bank in connection with the Bank’s rights and obligations under this GR Reimbursement Agreement and the other Documents.

(a) The Bank may, in connection with any participation or proposed participation pursuant to this Section 8.17, disclose to the Participant or proposed Participant any information relating to the Authority furnished to the Bank by or on behalf of the Authority, *provided* that the Participant shall agree to maintain the confidentiality of any confidential information provided to the Bank.

(b) The Authority shall not be responsible for any cost or expense incurred by the Bank in connection with any participation in the Payment Obligations or the Letter of Credit.

Section 8.18. Discretion of Bank as to Manner of Funding. Subject to Section 2.11, but notwithstanding any other provision of this GR Reimbursement Agreement, the Bank shall be entitled to fund and maintain its funding of the Letter of Credit in any manner it sees fit.

Section 8.19. No Waiver, Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 8.20. Comptroller's Approval; Standard Clauses. In accordance with Section 112 of the New York State Finance Law, this GR Reimbursement Agreement shall not be valid, effective or binding upon the Authority until it has been approved by the State Comptroller and filed in his office. All contracts entered into by the Authority are required under State law to contain certain terms and conditions, as set forth in Appendix A hereto. The Bank agrees to comply with such terms and conditions. To the extent of any conflict between any other provision of this GR Reimbursement Agreement and Appendix A, Appendix A shall control.

Section 8.21. USA Patriot Act. The Bank hereby notifies the Authority that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Bank to identify the Authority in accordance with the Patriot Act, and the Authority hereby agrees to take any action necessary to enable the Bank to comply with the requirements of the Patriot Act.

Section 8.22. Anti-Money Laundering; OFAC; Patriot Act.

(a) (i) As of the date hereof none of the funds or other assets of the Authority constitute property of any Person subject to trade restrictions under United States Law, including those who are covered by the International Emergency Economic Powers Act, 50 U.S.C. §§1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder (an "Embargoed Person") with the result that the investment in the Authority (whether directly or, to the Authority's knowledge, indirectly) is prohibited by such applicable law or the proceeds of any Drawing is in violation of such law; (ii) no Embargoed Person has any direct or, to the knowledge of the Authority, indirect interest of any nature whatsoever in the Authority with the result that the investment in the Authority (whether directly or indirectly) is prohibited by such applicable law or the proceeds of any Drawing is in violation of such law; and (iii) none of the funds of the Authority has been derived, to the knowledge of the Authority, from any unlawful activity with the result that the investment in the Authority (whether directly or indirectly) is prohibited by such applicable law or the proceeds of any Drawing is in violation of such law.

(b) The Authority is not in violation of any order issued with respect to anti-money laundering by the U.S. Department of the Treasury's Office of Foreign Assets

Control (“OFAC”), or any other anti-money laundering law, or any applicable laws, rules and regulations concerning or relating to bribery or corruption.

(c) The Authority is not a Person with whom United States Persons are restricted from doing business under (a) regulations issued by OFAC (including those persons and entities named on OFAC’s Specially Designated Nationals and Blocked Persons list) or under any United States law (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or (b) any other law. Without limiting the foregoing, the Authority is not, to the knowledge of the Authority, currently funding its obligations hereunder with funds from any of the Persons referred to in this paragraph (b).

(d) To the knowledge of the Authority, amounts required to be delivered to or paid by the Authority under this GR Reimbursement Agreement or the Documents are not derived from illegal proceeds and/or from an illegal source.

(e) The Authority shall cause the proceeds of Drawings under the Letter of Credit to be used solely to pay the principal of and interest on the 2015 GR-1 Notes on their respective maturity dates.

(f) The Authority shall (a) ensure that neither the Authority nor any of its officers and directors is or will be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by OFAC or the Department of the Treasury or included in any Executive Order that prohibits or limits the Bank from providing any funding or extending any credit to the Authority or from otherwise conducting business with the Authority and (b) ensure that the proceeds of any advance or extension of credit hereunder or under the Letter of Credit will not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto or any economic or financial sanctions or trade embargoes, or violate any applicable laws, rules and regulations concerning or relating to bribery or corruption. The Authority shall provide documentary and other evidence of its identity as may be requested by the Bank at any time to enable the Bank to verify the Authority’s identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the Patriot Act.

Section 8.23. Assignment to Federal Reserve Bank. Pursuant to the Non-Assignment Clause of Appendix A hereto, the Authority hereby consents and agrees that the Bank may at any time assign or pledge a security interest in all or any portion of its rights under this GR Reimbursement Agreement and the Bank Note to secure its obligations, including any pledge or assignment to secure obligations to a Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned Payment Obligations made by the Authority to the Bank in accordance with the terms of this GR Reimbursement Agreement shall satisfy the Authority’s Payment Obligations hereunder in respect of such assigned Payment Obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 8.24. Waiver of Jury Trial; Consent to Jurisdiction and Venue.

(a) The Authority and the Bank hereby irrevocably waive, to the fullest extent permitted by law, any and all right to trial by jury in any legal proceeding arising out of or relating to this GR Reimbursement Agreement or any Document or the transactions contemplated hereby or thereby.

(b) Each party hereto consents to and submits to in personam jurisdiction and venue in the State of New York and in the federal district courts which are located in the Borough of Manhattan in the State of New York and in Nassau County, New York. Each party asserts that it has purposefully availed itself of the benefits of the laws of the State of New York and waives any objection to in personam jurisdiction on the grounds of minimum contacts, waives any objection to venue, and waives any plea of forum non conveniens. This consent to and submission to jurisdiction is with regard to any action related to this GR Reimbursement Agreement. Regardless of whether the party's actions took place in the State of New York or elsewhere in the United States, this submission to jurisdiction is nonexclusive, and does not preclude either party from obtaining jurisdiction over the other in any court otherwise having jurisdiction.

Section 8.25. Redaction. The Authority agrees that it shall not post this GR Reimbursement Agreement, the Letter of Credit or any amendment hereto or thereto on Electronic Municipal Market Access ("EMMA") or any other website until the Bank or its counsel has provided redacted versions of this GR Reimbursement Agreement, the Letter of Credit or such amendment, as applicable.

Section 8.26. No Fiduciary Relationship. The Authority acknowledges and agrees that its dealing with the Bank are solely in the nature of a debtor/creditor relationship and that in no event shall the Bank be considered to be a partner or joint venturer of the Authority. Also, the Authority represents and warrants that it has independently evaluated the business transaction and has not relied upon, nor will it rely upon, the expertise, advice or other comments or statements of the Bank (including agents of the Bank), if any, in deciding to pursue such undertaking. As the Authority is experienced in business, in no event shall the Bank owe any fiduciary or similar obligations to it in connection with the subject transaction.

Section 8.27. Arm's Length Transaction. The Authority acknowledges and agrees that the transaction described in this GR Reimbursement Agreement is an arm's length, commercial transaction between the Authority and the Bank in which: (i) the Bank is acting solely as a principal (*i.e.*, as a lender) and for its own interest; (ii) the Bank is not acting as an advisor (municipal, financial or otherwise) to the Authority; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the Authority with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank or any of its affiliates has provided other services or is currently providing other services to the Authority on other matters); (iv) the only obligations the Bank has to the Authority with respect to this transaction are set forth in this GR Reimbursement Agreement and the Letter of Credit; and (v) the Bank is not recommending that the Authority take an action with respect to the transaction described in this GR Reimbursement Agreement and the other Documents, and before taking any action with respect to this transaction, the Authority should

discuss the information contained herein with the Authority's own legal, accounting, tax, financial and other advisors, as the Authority deems appropriate.

Section 8.28. Amendment and Restatement. This GR Reimbursement Agreement shall become effective on the Closing Date and shall supersede, amend and restate all provisions of the Original Reimbursement Agreement as of such date. From and after the Closing Date, all references made to the Original Reimbursement Agreement in any instrument or document shall, without more, be deemed to refer to this GR Reimbursement Agreement. Reference to this specific GR Reimbursement Agreement need not be made in any agreement, document, instrument, letter, certificate, the Original Reimbursement Agreement itself, or any communication issued or made pursuant to or with respect to the Original Reimbursement Agreement. This GR Reimbursement Agreement is entered into in substitution for, and not in satisfaction of, the rights and obligations of the parties hereto with respect to their obligations under the Original Reimbursement Agreement, and does not and is not intended to constitute a novation or an accord and satisfaction of any of the rights and obligations of the parties hereto with respect to the Original Reimbursement Agreement or the indebtedness, the obligations and liabilities of the Authority evidenced by or provided for under the Original Reimbursement Agreement. The parties hereto agree that this GR Reimbursement Agreement does not extinguish or discharge the obligations of the Authority or the Bank under the Original Reimbursement Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this GR Reimbursement Agreement to be duly executed and delivered by their respective duly authorized officers or representatives as of the day and year first above written.

LONG ISLAND POWER AUTHORITY

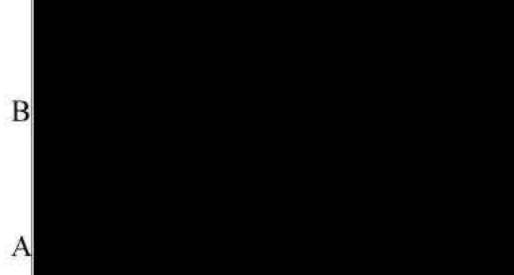


TD BANK, N.A.



APPROVED BY:

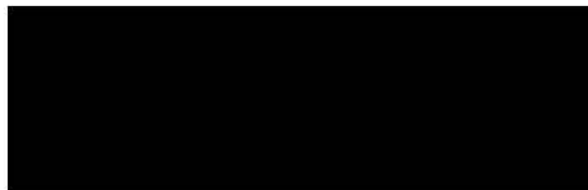
OFFICE OF THE STATE COMPTROLLER



B

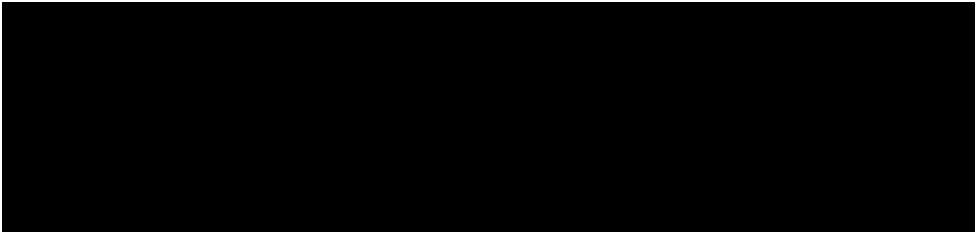
A

OFFICE OF THE NEW YORK ATTORNEY
GENERAL



Contract No.: C-000833

From:
To:
Cc:
Subject:
Date:
Attachments:



Approved as to form: 12/16/2020 by [REDACTED]
Received: 12/ 16/2020

Reminder: Agencies must forward the contract approved by the OAG Contract Approval Section along with the email in which the OAG Contract Approval Section approved the contract, to OSC via the Comptroller's EDSS system. If you are not enrolled in the EDSS system and have not made alternative arrangements with OSC on how to submit your transaction, [REDACTED]

[REDACTED]

[REDACTED]



ACKNOWLEDGEMENT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the 15th day of December, 2020, before me personally came [REDACTED] to me known to be the individual described in the foregoing instrument in [REDACTED] capacity as as [REDACTED] of T.D. Bank, N.A., the corporation described in and which executed the foregoing instrument, who being duly sworn did acknowledge that he/she executed same on behalf of T.D. Bank, N.A., and that [REDACTED] was authorized to execute same on behalf of T.D. Bank, N.A.

[REDACTED]

[REDACTED]

Contract No.: C-000833

EXHIBIT A

IRREVOCABLE LETTER OF CREDIT NO. [_____]

ELECTRIC SYSTEM GENERAL REVENUE NOTES, SERIES 2015 GR-1

June 30, 2015

The Bank of New York Mellon,
as Issuing and Paying Agent

Ladies and Gentlemen:

At the request and for the account of our customer, the Long Island Power Authority (the “Authority”), TD Bank, N.A. (“we” or the “Bank”) hereby establishes in your favor this Irrevocable Letter of Credit No. [REDACTED] (“Letter of Credit”). This Letter of Credit is issued to you as issuing and paying agent (the “Issuing and Paying Agent”) under the Twenty-Third Supplemental Electric Resolution adopted by the Authority on August 6, 2014 (the “GR Resolution”), for the benefit of the holders of Electric System General Revenue Notes, Series 2015 GR-1 (the “2015 GR-1 Notes”), which may be issued in either of two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-1A (Federally Taxable)” (the “Series 2015 GR-1A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-1B (Tax-Exempt)” (the “Series 2015 GR-1B Tax-Exempt Notes”), issued by the Authority pursuant to the GR Resolution. Subject to the terms and conditions herein, this Letter of Credit authorizes you to draw on us, from and after June 30, 2015, up to an initial stated amount not exceeding Two Hundred Fifteen Million Two Hundred Seventy-Seven Thousand Seven Hundred Seventy-Eight Dollars (US \$215,277,778.00) (calculated as the sum of the maximum principal amount of the 2015 GR-1 Notes which are allowed to be issued under the GR Resolution (i.e., \$200,000,000) plus interest thereon at the maximum rate of 10% per annum for a period of 275 days calculated on the basis of a year of 360 days) (such initial stated amount, as reduced or reinstated as herein provided, being referred to herein as the “Stated Amount”), which may be drawn on from time to time in respect of the payment of the principal of and accrued interest on the 2015 GR-1 Notes. In no event shall the obligations of the Bank hereunder exceed \$215,277,778.00.

Subject to the other provisions of this Letter of Credit, you or any duly authorized successor Issuing and Paying Agent may obtain the funds available under this Letter of Credit by presentment to the Bank of your Drawings (as defined below), mentioning thereon this Letter of Credit No. [REDACTED] in an aggregate amount not exceeding (i) \$15,277,778.00 with respect to the interest on the 2015 GR-1 Notes payable at maturity (whether due to acceleration or otherwise) (the “Interest Component”) plus (ii) \$200,000,000.00 with respect to principal of the 2015 GR-1 Notes (the “Principal Component”). Each Drawing presented to the Bank must be accompanied by a certification in the form of one or more of the Annexes hereto.

Your certification to us in the form of Annex A-1 hereto (with respect to the payment at maturity (whether due to acceleration or otherwise) of the principal of and interest to maturity (whether due to acceleration or otherwise) on 2015 GR-1 Notes issued in accordance with the GR Resolution) or in the form of Annex A-2 hereto (with respect to the payment at maturity (whether due to acceleration or otherwise) of the principal of and interest to maturity (whether due to acceleration or otherwise) on 2015 GR-1 Notes issued in accordance with the GR Resolution and that otherwise mature on or after the date that you receive notice from us in the form of Annex H hereto (the "Final Drawing Notice")) and presented in strict compliance with the terms and conditions of this Letter of Credit at or before 11:00 a.m. New York time, on a Business Day, will be honored by our payment to you of the Drawing amount in immediately available funds, no later than 2:30 p.m., New York time, on the same Business Day. If we receive your certification to us in the form of Annex A-1 hereto or in the form of Annex A-2 hereto and presented in strict compliance with the terms and conditions of this Letter of Credit after 11:00 a.m., New York time, on a Business Day, we shall honor your Drawing no later than 2:30 p.m., New York time, on the following Business Day.

Each Drawing presented for payment against this Letter of Credit (each a "Drawing") must be dated the date of its presentation, and may be presented only on a Business Day. As used in this Letter of Credit, "Business Day" shall mean any day of the year on which banks in New York, New York are not required or authorized to remain closed and on which the Issuing and Paying Agent, the Bank, the New York Stock Exchange, Inc. and the Federal Reserve Bank are open. The certifications you are required to submit must be prepared in the form of the applicable Annex hereto and sent to the following facsimile number:

Facsimile No. [REDACTED] Attention: [REDACTED]

Other than the foregoing provisions for communication by facsimile copy, communications with respect to this Letter of Credit must be in writing and must be addressed to [REDACTED] (or such other address or facsimile number as we may specify to you in writing), specifically referring to the number of this Letter of Credit. Payment under this Letter of Credit shall be made by the Bank by wire transfer of immediately available funds to [REDACTED]

[REDACTED] letter in form satisfactory to the Bank specifying a different account with you and executed by you and authenticated to our satisfaction.

If a Drawing made by you hereunder does not, in any instance, strictly conform to the terms and conditions of this Letter of Credit, we will give you reasonable notice that the presentation was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefor and that we are holding the relative documents at your disposal or are returning the same to you, as we may elect. Upon being notified that the presentation was not effected in strict conformity with this Letter of Credit, you may attempt to correct any such nonconforming Drawing if, and to the extent that, you as Issuing and Paying Agent are entitled (without regard to the provisions of this sentence) and able to do so.

Drawings honored by us under this Letter of Credit must not exceed the Stated Amount of this Letter of Credit, as such amount may vary from time to time. Each Drawing honored by us will reduce the Stated Amount available under this Letter of Credit, provided, however, that you have not received from us a Notice of No Issuance or a Final Drawing Notice in the manner described in the next paragraph, which, in the case of a Notice of No Issuance only, has not been rescinded, terminating or suspending our obligation to reinstate, the Stated Amount of this Letter of Credit will be reinstated (a) automatically without notice on any day when 2015 GR-1 Notes are to be issued by an amount equal to the amount deposited into the Reimbursement Account held by the Issuing and Paying Agent under the GR Resolution and (b) automatically without notice on any day by the amount of any reimbursement of any drawing under this Letter of Credit received by us (other than funds deposited into the Reimbursement Account pursuant to clause (a) of this paragraph). In the event and upon the determination by the Bank that we receive reimbursement from the Authority as described in clause (b) of this paragraph, we will deliver to you a Notice of Reinstatement substantially in the form of Annex C hereto within ten (10) Business Days following our receipt of the reimbursement.

In the event that we deliver to you a Notice of No Issuance in the form of Annex F hereto or a Final Drawing Notice in the form of Annex H hereto to the effect that an Event of Default has occurred under the Reimbursement Agreement dated as of May 1, 2015 (the “GR Reimbursement Agreement”) between the Authority and the Bank, you will use your best efforts to implement such Notice of No Issuance or Final Drawing Notice, as applicable, immediately but in any case no later than one hour following your receipt thereof.

In the event that we deliver to you a Rescission of Notice of No Issuance in the form of Annex G hereto, this Letter of Credit will be reinstated to the amount specified therein and 2015 GR-1 Notes may be issued thereafter.

Following the date hereof, the Stated Amount of this Letter of Credit from time to time will be an amount equal to \$215,277,778.00, less the amount of all Drawings honored by the Bank, plus amounts reinstated pursuant to the terms hereof.

By paying you an amount demanded in accordance with this Letter of Credit, the Bank makes no representation as to the correctness of the amount demanded or your calculations and representations on the certificates required of you by this Letter of Credit.

This Letter of Credit will expire on the earliest of (i) June 29, 2020 (the “Stated Expiration Date”), (ii) the date of our receipt of a notice from you to the effect that an Alternate Letter of Credit in full and complete substitution for this Letter of Credit has been issued and is in effect, which notice shall be in the form of Annex D hereto, (iii) the date of our receipt of a notice from you to the effect that no 2015 GR-1 Notes (other than 2015 GR-1 Notes with respect to which an Alternate Letter of Credit has been issued and is in effect) remain outstanding under the GR Resolution nor are any such 2015 GR-1 Notes authorized to be issued under the GR Resolution, which notice shall be in the form of Annex E hereto or (iv) the earlier of (a) the 15th calendar day after the date on which you receive the Final Drawing Notice, and (b) the date on which the Drawing resulting from the delivery of the Final Drawing Notice is honored hereunder (the earliest of the foregoing dates herein referred to as the “Termination Date”).

To the extent not inconsistent with the express terms hereof, this Letter of Credit is governed by and construed in accordance with the International Standby Practices 1998, International Chamber of Commerce, Publication No. 590 ("ISP98"). As to matters not governed by ISP98, this Letter of Credit is governed by and construed in accordance with the law of the State of New York, including without limitation Article 5 of the Uniform Commercial Code as in effect on the date hereof in the State of New York.

This Letter of Credit is transferable in its entirety to any transferee whom you have certified to us has succeeded you as Issuing and Paying Agent under the GR Resolution, and may be successively transferred in its entirety (but not in part). Transfer of the available balance under this Letter of Credit to such transferee will be effected by presenting to the Bank Annex B hereto ("Transfer Request") signed and notarized by the transferor (each a "Transfer") together with this original Letter of Credit and any amendments hereto. Transfers to designated foreign nationals and /or specially designated nationals are not permitted as being contrary to the U.S. Treasury Department or the Office of Foreign Assets Control Regulations. On the Effective Date, as set forth in such Transfer, the transferee instead of the transferor will, without necessity of further action, be entitled to all the benefits of and rights under this Letter of Credit in the transferor's place.

All payments made by us hereunder will be made from our funds and not with the funds of any other person.

All capitalized terms herein which are not defined have the same meaning given to them in the GR Resolution and the GR Reimbursement Agreement.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the 2015 GR-1 Notes), except only the Annexes referred to herein; and any such reference will not be deemed to incorporate herein by reference any document, instrument or agreement except for such Annexes.

[SIGNATURE PAGE To FOLLOW]

TD BANK, N.A.

By: _____

Name:

Title:

**ANNEX A-1 (DRAWING ON MATURITY DATE
RELATING TO 2015 GR-1 NOTES)**

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

Long Island Power Authority

TD Bank, N.A.
[REDACTED]

Re: Drawing for Amount Due on _____

Ladies and Gentlemen:

We refer to your Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term which is defined in the Letter of Credit has the same meaning when used herein. The undersigned, a duly authorized officer of [REDACTED] (the "Issuing and Paying Agent" or "we"), hereby certifies to you that:

1. We are the Issuing and Paying Agent under the GR Resolution for the holders of Electric System General Revenue Notes, Series 2015 GR-1 (the "2015 GR-1 Notes"), issued by the Long Island Power Authority (the "Issuer").

2. We hereby make demand for payment of \$_____ under the Letter of Credit by our presentment of this Certificate. This amount represents the principal amount of \$_____ of the 2015 GR-1 Notes **maturing on _____ (whether due to acceleration or otherwise), plus accrued interest thereon equal to \$_____.**

3. The amount demanded hereunder does not exceed the amount available on the date hereof to be drawn under the Letter of Credit. This amount was computed in accordance with the terms and conditions of the 2015 GR-1 Notes and the GR Resolution and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Stated Amount. This Letter of Credit has not terminated prior to the time of delivery of this Certificate.

4. The amount demanded hereunder in respect of interest on the 2015 GR-1 Notes, when added to the amount of any other drawing under the Letter of Credit in respect of interest on the 2015 GR-1 Notes made simultaneously herewith, does not exceed the Interest Component.

5. The amount demanded hereunder in respect of principal of the 2015 GR-1 Notes, when added to the amount of any other drawing under the Letter of Credit in respect of principal of the 2015 GR-1 Notes made simultaneously herewith, does not exceed the Principal Component.

6. The payment hereby demanded is requested to be made no later than 2:30 p.m., New York time, on _____. Please wire transfer the amount hereby demanded to The Bank of New York Mellon, _____

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Issuing and Paying Agent on the _____ day of _____, 20__.

Very truly yours,

[NAME OF ISSUING AND PAYING AGENT], as
Issuing and Paying Agent

By: _____

Name:

Title:

**ANNEX A-2 (DRAWING AFTER RECEIPT OF A FINAL DRAWING NOTICE
RELATING TO 2015 GR-1 NOTES)**

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

Long Island Power Authority

TD Bank, N.A.
[REDACTED]

Re: Drawing for Amount Due on _____

Ladies and Gentlemen:

We refer to your Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term which is defined in the Letter of Credit has the same meaning when used herein. The undersigned, a duly authorized officer of [REDACTED] (the "Issuing and Paying Agent" or "we"), hereby certifies to you that:

1. We are the Issuing and Paying Agent under the GR Resolution for the holders of Electric System General Revenue Notes, Series 2015 GR-1 (the "2015 GR-1 Notes"), issued by the Long Island Power Authority (the "Issuer").

2. We have received a Final Drawing Notice in the form of Annex H to the Letter of Credit.

3. We hereby make demand for payment of \$_____ under the Letter of Credit by our presentment of this Certificate. This amount represents the principal amount of \$_____ of the 2015 GR-1 Notes **maturing (whether due to acceleration or otherwise) on _____ (a date on or after the date of a Final Drawing Notice), plus accrued interest thereon equal to \$_____.**

4. The amount demanded hereunder does not exceed the amount available on the date hereof to be drawn under the Letter of Credit. This amount was computed in accordance with the terms and conditions of the 2015 GR-1 Notes and the GR Resolution and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Stated Amount. The Letter of Credit has not terminated prior to the time of delivery of this Certificate.

5. The amount demanded hereunder in respect of interest on the 2015 GR-1 Notes, when added to the amount of any other drawing under the Letter of Credit in respect of interest on the 2015 GR-1 Notes made simultaneously herewith, does not exceed the Interest Component.

6. The amount demanded hereunder in respect of principal of the 2015 GR-1 Notes, when added to the amount of any other drawing under the Letter of Credit in

respect of principal of the 2015 GR-1 Notes made simultaneously herewith, does not exceed the Principal Component.

7. The payment hereby demanded is requested to be made no later than 2:30 p.m., New York time, on . Please wire transfer the amount hereby demanded to [REDACTED]

8. Upon receipt by the undersigned of the amount demanded hereby, (a) the undersigned will deposit the same directly into the Long Island Power Authority 2015 GR-1 Credit Enhanced Note Account maintained by the Issuing and Paying Agent pursuant to the GR Resolution and the Issuing and Paying Agency Agreement and apply the same directly to the payment when due of the principal amount of 2015 GR-1 Notes and the interest amount owing on account of the 2015 GR-1 Notes pursuant to the GR Resolution, (b) no portion of said amount shall be applied by the undersigned for any other purpose, (c) no portion of said amount shall be commingled with other funds held by the undersigned, except for other funds drawn under the Letter of Credit, and (d) when such 2015 GR-1 Notes have been presented for payment and paid by us, we will cancel such matured or redeemed 2015 GR-1 Notes.

9. This Certificate is being presented to the Bank on a date which is no later than the 15th calendar day after receipt by the Issuing and Paying Agent of the Final Drawing Notice.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Issuing and Paying Agent on the _____ day of _____, 20__.

Very truly yours,

[NAME OF ISSUING AND PAYING AGENT], as
Issuing and Paying Agent

By: _____

Name:

Title:

ANNEX B (TRANSFER REQUEST)

IRREVOCABLE LETTER OF CREDIT NO. [REDACTED]

Date: _____

TD Bank, N.A.
[REDACTED]

Re: Irrevocable Letter of Credit No. [REDACTED]

PLEASE TYPE OR NEATLY PRINT INFORMATION BELOW

For value received, the undersigned, beneficiary hereby irrevocably transfers to:

Name of Transferee

Address (include Apt., Suite Floor #)

City, State, Zip Code

Attention Party and Phone No.

the referenced Letter of Credit (the "Letter of Credit") and all rights of the undersigned beneficiary to draw under the above Letter of Credit in its entirety or up to the remaining available balance if prior drawings have been made under the Letter of Credit and any amounts thereof have not been reinstated.

By transfer of the referenced Letter of Credit, all rights of the undersigned Beneficiary in such Letter of Credit are transferred to the transferee, who shall have the sole rights as beneficiary thereof, including sole rights to any amendments whether now existing or hereafter made. All amendments are to be advised directly to the transferee without necessity of any consent of or notice to the undersigned beneficiary. As such, no further consent of or notice to the undersigned beneficiary shall be required of TD Bank, N.A. in connection with such Letter of Credit.

We are enclosing the original Letter of Credit and any amendments to date so that you may deliver same to the transferee together with your customary letter of transfer.

BENEFICIARY NAME

SIGNATURE AUTHENTICATION

By: _____
Name: _____
Title: _____

Notary Public

Date: _____

ANNEX C (NOTICE OF REINSTATEMENT)
IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

Long Island Power Authority

The Bank of New York Mellon,
as Issuing and Paying Agent
[REDACTED]

Re: Notice of Reinstatement

Ladies and Gentlemen:

We refer to our Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term below which is defined in the Letter of Credit shall have the same meaning when used herein. We hereby notify you that the Long Island Power Authority has reimbursed us for a Drawing or Drawings under the Letter of Credit in the amount of \$ _____. As a result, the Letter of Credit was reinstated on _____ to a Stated Amount of \$ _____.

IN WITNESS WHEREOF, we have executed and delivered this Certificate on the _____ day of _____, 20__.

TD BANK, N.A.

By: _____

Name:

Title:

ANNEX D (NOTICE OF ALTERNATE LETTER OF CREDIT)

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

Long Island Power Authority

TD Bank, N.A.
[REDACTED]

Ladies and Gentlemen:

We refer to your Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term below which is defined in this Letter of Credit has the same meaning when used herein. The undersigned, a duly authorized officer of _____ or "We", hereby certifies to you that:

1. We are the Issuing and Paying Agent under the GR Resolution for the holders of the 2015 GR-1 Notes.
2. An Alternate Letter of Credit in full and complete substitution for the Letter of Credit has been issued and is in effect.
3. We hereby surrender to you the Letter of Credit and any amendments thereto.
4. The Letter of Credit is hereby terminated in accordance with its terms.
5. No payment is demanded of you in connection with this surrender of the Letter of Credit.

IN WITNESS WHEREOF, we have executed and delivered this notice as Issuing and
Paying Agent on the _____ day of _____, 20__.

Very truly yours,

[NAME OF ISSUING AND PAYING AGENT], as
Issuing and Paying Agent

By: _____

Name:

Title:

ANNEX E (NOTICE THAT NO 2015 GR-1 NOTES ARE OUTSTANDING)

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

TD Bank, N.A.
[REDACTED]

Ladies and Gentlemen:

We refer to your Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term below which is defined in this Letter of Credit has the same meaning when used herein. The undersigned, a duly authorized officer of _____ or "We", hereby certifies to you that:

1. We are the Issuing and Paying Agent under the GR Resolution for the holders of the 2015 GR-1 Notes.
2. No 2015 GR-1 Notes (other than 2015 GR-1 Notes with respect to which an Alternate Letter of Credit has been issued and is in effect) remain outstanding under the GR Resolution nor are any such 2015 GR-1 Notes authorized to be issued under the GR Resolution.
3. We hereby surrender to you the Letter of Credit and any amendments thereto.
4. The Letter of Credit is hereby terminated in accordance with its terms.
5. No payment is demanded of you in connection with this surrender of the Letter of Credit.

IN WITNESS WHEREOF, we have executed and delivered this notice as Issuing and
Paying Agent on the _____ day of _____, 20_.

Very truly yours,

[NAME OF ISSUING AND PAYING AGENT], as
Issuing and Paying Agent

By: _____

Name:

Title:

ANNEX F (NOTICE OF NO ISSUANCE)

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

The Bank of New York Mellon,
as Issuing and Paying Agent
[REDACTED]
[REDACTED]

Re: Notice of No Issuance

Ladies and Gentlemen:

We refer to our Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term below which is defined in the Letter of Credit has the same meaning when used herein. We hereby notify you that an Event of Default has occurred under the GR Reimbursement Agreement dated as of May 1, 2015, between the Long Island Power Authority and us. As a result, unless and until you have been advised otherwise by us:

1. No further 2015 GR-1 Notes may be issued pursuant to the terms of the GR Resolution;
2. The Stated Amount of the Letter of Credit is reduced to \$ _____ an amount equal to the principal amount (and, if and as applicable, interest on the 2015 GR-1 Notes to their stated maturity dates) of the outstanding 2015 GR-1 Notes; and
3. The Stated Amount of the Letter of Credit will no longer be reinstated.

IN WITNESS WHEREOF, we have executed and delivered this Notice on the ____ day
of _____, 20__.

TD BANK, N.A.

By: _____

Name:

Title:

ANNEX G (RESCISSION OF NOTICE OF NO ISSUANCE)

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

The Bank of New York Mellon,
as Issuing and Paying Agent
[REDACTED]
[REDACTED]

Re: Rescission of Notice of No Issuance

Ladies and Gentlemen:

We refer to our Irrevocable Letter of Credit No. [REDACTED] 4 dated June 30, 2015 (the "Letter of Credit"). Any term below which is defined in the Letter of Credit has the same meaning when used herein. We hereby notify you that the Notice of No Issuance dated _____ and delivered by us to you is hereby rescinded. As a result:

1. Further 2015 GR-1 Notes may be issued pursuant to the terms of the GR Resolution which may be supported by the Letter of Credit;
2. The Stated Amount of the Letter of Credit is reinstated to an amount equal to \$ _____;
3. The Letter of Credit will continue to be reinstated in accordance with its terms.

IN WITNESS WHEREOF, we have executed and delivered this Notice on the _____ day of _____, 20__.

TD BANK, N.A.

By: _____
Name:
Title:

ANNEX H (FINAL DRAWING NOTICE)

IRREVOCABLE LETTER OF CREDIT No. [REDACTED]

The Bank of New York Mellon,
as Issuing and Paying Agent
[REDACTED]

Re: Final Drawing Notice

Ladies and Gentlemen:

We refer to our Irrevocable Letter of Credit No. [REDACTED] dated June 30, 2015 (the "Letter of Credit"). Any term below which is defined in the Letter of Credit has the same meaning when used herein. We hereby notify you that an Event of Default has occurred under the Reimbursement Agreement dated as of May 1, 2015, between the Long Island Power Authority and us. As a result:

1. No further 2015 GR-1 Notes may be issued pursuant to the terms of the GR Resolution;

2. (i) Effective upon receipt of this Notice, the Stated Amount available to be drawn under the Letter of Credit will not be reinstated in accordance with the Letter of Credit, (ii) the Issuing and Paying Agent is instructed to make the Final Drawing under the Letter of Credit to provide for the payment of 2015 GR-1 Notes issued in accordance with the GR Resolution which are outstanding and maturing (whether due to acceleration or otherwise) or are hereafter to mature, and (iii) the Termination Date of the Letter of Credit will occur and the Letter of Credit will expire on the earlier of (a) date which is the 15th calendar day after the date of receipt by the Issuing and Paying Agent of this notice, and (b) the date on which the Drawing resulting from the delivery of this notice is honored by us.

IN WITNESS WHEREOF, we have executed and delivered this Notice on the ____ day
of _____, 20__.

TD BANK, N.A.

By: _____

Name:

Title:

EXHIBIT B

FORM OF BANK NOTE

Long Island Power Authority

\$ _____

Electric System General Revenue Notes, Series 2015 GR-1

_____, 2020

For Value Received, the undersigned, LONG ISLAND POWER AUTHORITY (the “Authority”), hereby promises to pay to the order of TD BANK, N.A. (the “Bank”), in the manner and on the dates provided in the GR Reimbursement Agreement, dated as of _____ 1, 2020 (as amended, supplemented or otherwise modified from time to time pursuant to its terms, the “Agreement”), between the Authority and the Bank in lawful money of the United States of America and in immediately available funds in an amount equal to the aggregate outstanding principal amount of the Unreimbursed Amounts and Bank Loans from time to time owing to the Bank under the Agreement. Terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

The Authority further promises to pay interest from the date hereof on the outstanding principal amount hereof and unpaid interest hereon from time to time at the rates and times and in all cases in accordance with the terms of the Agreement. The Bank may endorse its books and records relating to this Bank Note with appropriate notations evidencing the amounts drawn under the Series 2015 GR-1 Letter of Credit and payments of principal hereunder as contemplated by the Agreement.

This Bank Note is issued pursuant to, is entitled to the benefits of, and is subject to, the provisions of the Agreement and the Issuing and Paying Agency Agreement, as further supplemented and amended in accordance with the terms thereof and the Agreement. Voluntary prepayments may be made hereon, certain prepayments are required to be made hereon, and this Bank Note may be declared due prior to the expressed maturity hereof, all on the terms and in the manner provided for in the Agreement.

The parties hereto, including the undersigned maker and all guarantors, endorsers and pledgors that may exist at any time with respect hereto, hereby waive presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Bank Note and assent to the extensions of the time of payment or forbearance or other indulgence without notice.

This Bank Note constitutes a “Parity Obligation” as defined in the General Resolution, and is secured by and payable from the Trust Estate on a parity with the 2015 GR-1 Notes.

This Bank Note and the obligations of the Authority hereunder shall be governed by and construed in accordance with the law of the State of New York.

IN WITNESS WHEREOF, the Authority has caused this Bank Note to be signed in its corporate name as an instrument by its duly authorized officer on the date first above written.

LONG ISLAND POWER AUTHORITY

By:_____

Name:

Title:

[illegible]

EXHIBIT C

FORM OF GR REIMBURSEMENT AGREEMENT CERTIFICATE OF THE AUTHORITY

I, _____, _____ of the Long Island Power Authority (the “Authority”) hereby certify that, pursuant to Sections 3.1(b) and 3.2 of the GR Reimbursement Agreement dated as of _____ 1, 2020 (the “GR Reimbursement Agreement”) between the Authority and TD Bank, N.A. (the “Bank”):

1. The representations and warranties of the Authority contained in the GR Reimbursement Agreement and in each written document delivered by the Authority, to the Bank in connection with the GR Reimbursement Agreement are true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of this date;

2. No Event of Default or Potential Default has occurred and is continuing and neither will result from the issuance of the Letter of Credit or the making of any Bank Loan; and

3. No event or circumstance has occurred since December 31, 2019, which could reasonably be expected to materially and adversely affect the rights or remedies of the Bank under the GR Reimbursement Agreement or the ability of the Authority to perform its obligations under the GR Reimbursement Agreement or under any other Document to which it is a party or which could have a Material Adverse Effect.

4. Since the date of the Bond Rating Evidence, no long or short term rating assigned to either the Bonds or the Subordinated Indebtedness has been reduced, withdrawn or suspended.

Terms not defined herein are defined as in the GR Reimbursement Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____,
2020.

By: _____
[Name]
[Title]

EXHIBIT D

FORM OF CERTIFICATE OF LIPA SUBSIDIARY

I, _____, _____ of the Long Island Lighting Company d/b/a LIPA ("the LIPA Subsidiary"), certify as follows pursuant to Sections 3.1(b) and 3.2 of the GR Reimbursement Agreement, dated as of _____ 1, 2020 (the "GR Reimbursement Agreement"), between the Long Island Power Authority (the "Authority") and TD Bank, N.A. (the "Bank"):

1. The persons holding the following offices and positions and duly appointed thereto and acting therein are as follows:

[REDACTED]

2. The LIPA Subsidiary is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Financing Agreement, dated as of May 1, 1998, by and between the Authority and the LIPA Subsidiary.

3. The representations and warranties with respect to the LIPA Subsidiary contained in the GR Reimbursement Agreement and in each written document delivered by the Authority to the Bank in connection with the GR Reimbursement Agreement are true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of this date.

4. Attached hereto as Exhibit A is a true and complete copy of the restated Certificate of Incorporation of the LIPA Subsidiary.

5. Attached hereto as Exhibit B is a true and complete copy of the By-Laws of the LIPA Subsidiary.

6. Attached hereto as Exhibit C is a true and complete copy of the Certificate of Assumed Name of the LIPA Subsidiary.

7. The LIPA Subsidiary is a business corporation validly existing and in good standing under the laws of the State of New York. Attached hereto as Exhibit D is a certificate of the Secretary of State of the State of New York certifying that the LIPA Subsidiary is a subsisting corporation under the laws of the State of New York.


[Signature Page of this Certificate Follows]

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____,
2020.

By: _____
[Name]
[Title]

EXHIBIT E
FORM OF OPINION OF BOND COUNSEL

_____, 2020

TD Bank, N.A.


Ladies and Gentlemen:

We are bond counsel to the Long Island Power Authority (the “Authority”), a corporate municipal instrumentality of the State of New York. We hereby deliver to you herewith, pursuant to the Reimbursement Agreement dated as of _____ 1, 2020 (the “GR Reimbursement Agreement”), between the Authority and TD Bank, N.A., a copy of our approving opinion, dated _____, 201__ (the “Approving Opinion”), relating to the issuance of the Authority’s Electric System General Revenue Notes, Series 2015 GR-1 (the “Notes”).

You are entitled to rely on the Approving Opinion as though the same were addressed to you.

The following opinions are being rendered herein pursuant to 3.1(c) of the GR Reimbursement Agreement. All capitalized terms used herein shall, unless otherwise defined herein, have the meanings set forth in the GR Reimbursement Agreement.

We are of the opinion that the GR Reimbursement Agreement has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery of the GR Reimbursement Agreement by the other parties thereto, constitutes the valid, legal and binding agreements of the Authority, enforceable against the Authority in accordance with their respective terms, except to the extent that the enforceability of the GR Reimbursement Agreement may be limited by bankruptcy, moratorium or insolvency or other laws affecting creditors’ rights generally and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We are further of the opinion that the General Resolution creates, for the benefit and security of the Reimbursement Obligations under the GR Reimbursement Agreement, the legally valid and binding lien on and pledge of the Trust Estate, including without limitation the Revenues, subject only to the provisions of the General Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the General Resolution, which lien and pledge ranks on a parity with the lien and pledge securing the Notes. No filing, registering, recording or publication of the General Resolution or any other instrument is required to establish such pledge which secures the Payment Obligations, or to perfect, protect or maintain the lien created to secure the same. To the extent that any Letter of Credit Fee or other amount payable under the GR Reimbursement Agreement does not constitute a Reimbursement Obligation, such Letter of Credit Fee or other amount constitutes Operating Expenses under the General Resolution.

Very truly yours,

EXHIBIT F

FORM OF OPINION OF COUNSEL TO THE AUTHORITY AND LIPA SUBSIDIARY

_____, 2020

TD Bank, N.A.
[REDACTED]

The Bank of New York Mellon,
as Issuing and Paying Agent
[REDACTED]

Ladies and Gentlemen:

Reference is made to (i) Section 3.1(d) of the Reimbursement Agreement dated as of _____, 2020 (the “GR Reimbursement Agreement”), between the Long Island Power Authority (the “Authority”) and TD Bank, N.A., and (ii) the Electric System General Revenue Bond Resolution, adopted by the Authority on May 13, 1998, as supplemented by the Amended and Restated Twenty-Third Supplemental Electric System General Revenue Bond Resolution, adopted by the Authority on July 26, 2017, which amends and restates the Twenty-Third Supplemental Electric System General Revenue Bond Resolution adopted by the Authority on August 6, 2014, and (iii) an Amended and Restated Certificate of Determination, dated _____, executed by an authorized representative of the Authority (collectively, the “Resolution”), in connection with the issuance of the Authority’s Electric System General Revenue Notes, Series 2015 GR-1 (the “Notes”).

As to various questions of fact material to this opinion, I have relied on certificates of officers of the Authority and Long Island Lighting Company d/b/a LIPA (“LIPA”).

In addition, as Acting General Counsel to the Authority and to LIPA, I have examined and relied on originals or copies certified or otherwise identified to my satisfaction of such documents, instruments or corporate records, and have made such investigations of law, as I have considered necessary or appropriate for the purposes of this opinion.

Except as otherwise defined herein, all terms used herein shall have the meanings assigned to such terms in the Resolution or the GR Reimbursement Agreement.

Based on the foregoing, I am of the opinion that:

1. The Authority is a corporate municipal instrumentality and a body corporate and politic constituting a political subdivision of the State of New York (the “State”), duly created and established and validly existing under the provisions of the Long Island Power Authority Act, being Title 1-A of Article 5 of the Public Authorities Law of the State of New York, as amended (the “Act”).

2. The Authority has the right, power and authority to (a) execute and deliver the GR Reimbursement Agreement and (b) perform its obligations under the GR Reimbursement Agreement.

3. The execution and delivery of, and the performance by the Authority and LIPA of their respective obligations under, the Resolution and the documents specified in paragraph 2 above (the “Authority Transaction Documents”) have been duly authorized by proper corporate proceedings of the Authority and LIPA, as applicable, and duly executed and delivered by the Authority and LIPA, as applicable. Each of the Authority Transaction Documents, assuming the due authorization, execution and delivery by the other parties thereto, constitutes a legal, valid and binding agreement of the Authority and LIPA enforceable in accordance with their respective terms.

4. The Resolution has been duly and lawfully adopted by the Authority and is in full force and effect and is valid and binding upon the Authority and enforceable in accordance with its terms, and no other authorization for, or filing or recording of, the Resolution is required.

5. Except as permitted by the Resolution and the Financing Agreement, the items pledged by the Resolution and the Financing Agreement are, and under the Resolution, the Financing Agreement and existing law will be, free and clear of any material pledge, lien, charge or encumbrance thereon or with respect thereto created by the Authority or LIPA prior to, or of equal rank with, the pledge created by the Resolution and the Financing Agreement.

6. The execution and delivery of the Authority Transaction Documents, the Notes, the Financing Agreement Note and the Resolution, under the circumstances contemplated by the GR Reimbursement Agreement and Offering Memorandum, and compliance with the provisions thereof and the provisions of the Financing Agreement, will not conflict in any material respect with or constitute on the part of the Authority or LIPA a material breach of, or an event of default under, any agreement or other instrument to which the Authority or LIPA is subject or by which it is bound.

7. Except as described in the Offering Memorandum, there is no litigation or other proceeding pending or, to the best of my knowledge, threatened in any court, agency or other administrative body (either State or Federal) restraining or enjoining the issuance, sale or delivery of the Notes, or in any way questioning or affecting (i) the issuance, sale and delivery of the Notes, (ii) the proceedings under which the Notes are to be issued, (iii) the validity or enforceability of any provision of the Notes, the Resolution, the Authority Transaction Documents or the Financing Agreement Note, (iv) the pledge by the Authority effected under the Resolution, (v) the pledge by LIPA effected under the Financing Agreement, (vi) the legal existence of the Authority or LIPA, (vii) the power of the Authority to issue the Notes for the purposes described in the Offering Memorandum or to undertake and perform the transactions contemplated by the Resolution or the Offering Memorandum or (viii) the accuracy, completeness or fairness of the Offering Memorandum.

8. The Authority and LIPA are not in default in any material respect under the terms of the Resolution or the Authority Transaction Documents.

9. All authorizations, consents, approvals and reviews of governmental bodies or regulatory authorities required for (i) the adoption by the Authority of the Resolution, (ii) the execution, issuance and delivery by the Authority of the Notes, and (iii) the execution, delivery and performance by the Authority and LIPA of their respective obligations under the Authority Transaction Documents, have been obtained or effected and are in full force and effect.

10. The Authority has the right and power under the Act to adopt the Resolution and to perform its obligations thereunder, including its rate covenant relating to the establishment and maintenance of System fees, rates, rents, charges and surcharges; provided, however, that in connection with certain Authority rate proposals, the Act directs the Authority to seek the review and recommendation of the New York State Public Service Commission as to such proposals prior to implementation and to implement such recommendations unless the Authority determines, after complying with certain procedural requirements and subject to any applicable judicial review proceeding, that any particular recommendation is inconsistent with the Authority's sound fiscal operating practices, any existing contractual or operating obligations or the provision of safe and adequate service.

11. The Authority is authorized to adopt the rates, credits, surcharges and riders provided for in the Authority's existing rates; said rates, credits, surcharges and riders have been duly adopted and are in full force and effect.

12. The Authority is authorized to adopt an Open Access Transmission Tariff (the "OATT"); and said OATT has been duly adopted and is in full force and effect.

13. The adoption by the Authority of its rates and the supplementation thereof, and compliance with all of the terms and conditions of the Resolution and the Notes, and the execution and delivery of the Notes, and the execution, delivery and performance of the GR Reimbursement Agreement, will not result in a violation of or be in conflict with any term or provision of any applicable law, or of any approval by any governmental agency, board or commission applicable thereto.

14. The rates for retail distribution service approved by the Authority for assessment and collection by its subsidiary, LIPA (jointly, the "LIPA Entities"), are not subject to regulation by the Federal Energy Regulatory Commission ("FERC") or any other federal agency, under the Federal Energy Regulatory Laws; and neither the FERC nor any other federal agency, under the Federal Energy Regulatory Laws¹, may deny either of the LIPA Entities the ability to recover in LIPA's retail distribution rates the portion of the "Acquisition Adjustment" associated with the "Shoreham Regulatory

¹ As defined herein, the Federal Energy Regulatory Laws are: the Federal Power Act, Part II, 16 U.S.C. §§ 824 *et seq.*, as amended ("FPA"); the Public Utility Regulatory Policies Act of 1978 (appearing generally at 16 U.S.C. § 2601 and following) ("PURPA"), as amended; the Public Utility Holding Company Act of 1935, 15 U.S.C. §§ 79a *et seq.*, as amended; and the Powerplant and Industrial Fuel Use Act of 1978, Pub. L. No. 95-620, 92 Stat. 3289 (1978), as amended.

Asset” or the inclusion in LIPA’s retail distribution rates applicable in Suffolk County, New York of costs with respect to the Shoreham Property Tax Settlement Agreement².

The obligations of the Authority and LIPA and the enforceability thereof are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights. The enforceability of such obligations is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

This opinion is solely for your information and assistance and is not to be used, circulated, quoted or otherwise referred to, except that reference to this opinion may be made in any list of closing documents pertaining to the delivery of the Letter of Credit under the GR Reimbursement Agreement or in such closing documents.

Very truly yours,

² The terms “Acquisition Adjustment” and “Shoreham Regulatory Asset” are used as defined in the Offering Memorandum.

APPENDIX A

STANDARD CLAUSES FOR LIPA CONTRACTS

For the purposes of this Appendix A, the Long Island Power Authority and its operating subsidiary the Long Island Lighting Company d/b/a LIPA are hereinafter referred to as "LIPA."

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "*the contract*" or "*this contract*") agree to be bound by the following clauses which are hereby made a part of the contract (the word "*Contractor*" herein refers to any party other than LIPA, whether a contractor, consultant, licensor, licensee, lessor, lessee or other party):

NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of LIPA, and any attempts to assign the contract without LIPA's written consent are null and void. Contractor may, however, assign its right to receive payment without LIPA's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

COMPTROLLER'S APPROVAL. In accordance with Section 112 of the New York State Finance Law (the "*State Finance Law*"), this Agreement shall not be valid, effective or binding upon LIPA until it has been approved by the State Comptroller and filed in his office.

WORKER'S COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this Agreement shall be void and of no force and effect unless Contractor provides and maintains coverage during the life of this Agreement for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

NON-DISCRIMINATION REQUIREMENTS. In accordance with Article 15 of the Executive Law (also known as the Human Rights Law) and all other New York State and Federal statutory and constitutional non-discrimination provisions, Contractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex (including gender identity or expression), national origin, age, disability, marital status, sexual orientation, genetic predisposition or carrier status. Furthermore, in accordance with Article 220-e of the New York Labor Law, and to the extent that this Agreement shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, national origin, sexual orientation, genetic predisposition or carrier status; (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee for the performance of work under this Agreement.

NEW YORK STATE EXECUTIVE ORDER NO. 177 (PROHIBITING STATE CONTRACTS WITH ENTITIES THAT SUPPORT DISCRIMINATION) CERTIFICATION. The New York State Human Rights Law, Article 15 of the Executive Law, prohibits discrimination and harassment based on age, race, creed, color, national origin, sex, pregnancy or pregnancy-related conditions, sexual orientation, gender identity, disability, marital status, familial status, domestic violence victim status, prior arrest or conviction record, military status or predisposing genetic characteristics.

The Human Rights Law may also require reasonable accommodation for persons with disabilities and pregnancy-related conditions. A reasonable accommodation is an adjustment to a job or work

environment that enables a person with a disability to perform the essential functions of a job in a reasonable manner. The Human Rights Law may also require reasonable accommodation in employment on the basis of Sabbath observance or religious practices.

Generally, the Human Rights Law applies to:

- all employers of four or more people, employment agencies, labor organizations and apprenticeship training programs in all instances of discrimination or harassment;
- employers with fewer than four employees in all cases involving sexual harassment; and,
- any employer of domestic workers in cases involving sexual harassment or harassment based on gender, race, religion or national origin.

In accordance with Executive Order No. 177, the Bidder hereby certifies that it does not have institutional policies or practices that fail to address the harassment and discrimination of individuals on the basis of their age, race, creed, color, national origin, sex, sexual orientation, gender identity, disability, marital status, military status, or other protected status under the Human Rights Law.

Executive Order No. 177 and this certification do not affect institutional policies or practices that are protected by existing law, including but not limited to the First Amendment of the United States Constitution, Article 1, Section 3 of the New York State Constitution, and Section 296(11) of the New York State Human Rights Law.

WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law and shall comply with all requirements set forth in Article 8 or Article 9 of the Labor Law whichever Article applies.

NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 2878 of the Public Authorities Law, if this contract was awarded based upon the submission of bids, Contractor warrants, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further warrants that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to LIPA a non-collusive bidding certification on Contractor's behalf.

INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, Contractor agrees, as a material condition of the contract, that neither Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC app. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

SET-OFF RIGHTS. LIPA shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, LIPA's option to withhold for the purposes of set-off any moneys due to Contractor under this contract up to any amounts due and owing to LIPA with regard to this contract, any other contract with LIPA, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to LIPA for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. LIPA shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by LIPA, its representatives, or the State Comptroller.

RECORDS. Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "*the Records*"). The Records must be kept for six (6) years following the expiration or earlier termination of the contract. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. LIPA shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "*Statute*") *provided* that: (i) Contractor shall timely inform LIPA in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

DISCLOSURE OF LIPA RECORDS OR INFORMATION. If any third party requests that Contractor disclose LIPA records or information, as defined in subdivision 4 of section 86 of the Public Officers Law, to the extent permitted by law, Contractor shall notify LIPA of such request and LIPA shall determine, in accordance with Chapter 39 of the Laws of 2010, whether such LIPA records or information may be disclosed.

EQUAL EMPLOYMENT FOR MINORITIES AND WOMEN. In accordance with Section 312 of the New York Executive Law: (i) Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status and shall undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; (ii) at the request of LIPA, Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status and that such union or representative will affirmatively cooperate in the implementation of Contractor's obligations herein; and (iii) Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of this Agreement, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status. Contractor shall include the provisions of (i), (ii) and (iii) above, in every subcontract over twenty-five thousand dollars (\$25,000.00) for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "*Work*") except where the Work is for the beneficial use of Contractor.

MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES. It is the policy of the Authority to provide Minority and Women-Owned Business Enterprises (M/WBEs) the greatest practicable opportunity to participate in the Authority's contracting activity for the procurement of goods and services. To effectuate this policy, Contractor shall comply with the provisions of this Schedule A and the provisions of Article 15-A of the New York Executive Law. The Contractor will employ good faith efforts to achieve the below-stated M/WBE Goals set for this contract, and will cooperate in any efforts of the Authority, or any government agency which may have jurisdiction, to monitor and assist Contractor's compliance with the Authority's M/WBE program.

Minority-Owned Business Enterprise (MBE) Subcontracting 0%

Women-Owned Business Enterprise (WBE) Subcontracting Goal 0%

Waivers shall only be considered in accordance with the provisions of Article 15-A of the Executive Law.

To help in complying, Contractor may inspect the current New York State Certification Directory of Minority and Women Owned Businesses, prepared for use by state agencies and contractors in complying with Executive law Article 15-A, (the Directory) at the same location where the Authority's bid document or request for proposals may be obtained or inspected and also at the Authority's office at 333 Earle Ovington Boulevard, Suite 403, Uniondale, NY 11553. In addition, printed or electronic copies of the Directory may be purchased from the New York State Department of Economic Development, Minority and Women's Business Division.

If requested, Contractor shall submit within ten (10) days of such request, a complete Utilization Plan, which shall include identification of the M/WBEs which the Contractor intends to use; the dollar amount of business with each such M/WBE; the Contract Scope of Work which the Contractor intends to have performed by such M/WBEs; and the commencement and end dates of such performance. The Authority will review the plan and, within twenty (20) days of its receipt, issue a written acceptance of the plan or comments on deficiencies in the plan.

The Contractor shall include in each Subcontract, in such a manner that the provisions will be binding upon each Subcontractor, all of the provisions herein including those requiring Subcontractors to make a good faith effort to solicit participation by M/WBEs.

If requested, the Contractor shall submit monthly compliance reports regarding its M/WBE utilization activity. Reports are due on the first business day of each month, beginning thirty (30) days after Contract award.

The Contractor shall not use the requirements of this section to discriminate against any qualified company or group of companies.

CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Section 2880 of the Public Authorities Law and the guidelines adopted by LIPA thereto.

PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165 (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of Contractor to establish to meet with the approval of the State. In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of Contractor to meet with the approval of the State.

MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the New York Laws of 1992), Contractor hereby stipulates that Contractor either (i) has no business operations in Northern Ireland, or (ii) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Article 165 of, the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts. Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
[REDACTED]

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Minority and Women's Business Development Division
[REDACTED]

The Omnibus Procurement Act of 1992 requires that by signing this Agreement, Contractor certifies that:

(a) Contractor has made commercially reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and woman-owned business enterprises, on this Project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended; and

(c) Contractor agrees to make commercially reasonable efforts to provide notification to New York State residents of employment opportunities on this Project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. Contractor agrees to document these efforts and to provide said documentation to the State upon request.

(d) Contractor acknowledges that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

RECIPROCITY AND SANCTIONS PROVISIONS. Contractor is hereby notified that if its principal place of business is located in a state that penalizes New York State vendors, and if the goods or services it offers are substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 amendments (Chapter 684, Laws of 1994) require that Contractor be denied contracts which it would otherwise obtain.

PURCHASES OF APPAREL. In accordance with State Finance Law 162 (4-a), LIPA shall not purchase any apparel from any Contractor unable or unwilling to certify that: (i) such apparel was manufactured in compliance with all applicable labor and occupational safety laws, including, but not limited to, child labor laws, wage and hours laws and workplace safety laws, and (ii) Contractor will supply, with its bid (or, if not a bid situation, prior to or at the time of signing a contract with LIPA), if known, the names and addresses of each subcontractor and a list of all manufacturing plants to be utilized by the bidder.

CONTRACTOR AFFIRMATION OF COMPLIANCE AND CERTIFICATION OF DISCLOSURE. Contractor affirms that it understands and agrees to comply with the procedures of the Governmental Entity relative to permissible contacts as required by the State Finance Law § 139-j (3) and § 139-j (6)(b). Furthermore, Contractor certifies that the information disclosed pursuant to State Finance Law § 139-k (5) is complete true and accurate.

OPTIONAL TERMINATION BY THE AUTHORITY. LIPA reserves the right to terminate this contract in the event it is found that the certification filed by Contractor in accordance with New York State Finance Law § 139-k was intentionally false or intentionally incomplete. Upon such finding, LIPA may exercise its termination right by providing written notification to Contractor in accordance with the written notification terms of the contract.

CONTINGENT FEES. Contractor hereby certifies and agrees that (a) Contractor has not employed or retained and will not employ or retain any individual or entity for the purpose of soliciting or securing any LIPA contract or any amendment or modification thereto pursuant to any agreement or understanding for receipt of any form of compensation which in whole or in part is contingent or dependent upon the award of any such contract or any amendment or modification thereto; and (b) Contractor will not seek or be paid an additional fee that is contingent or dependent upon the completion of a transaction by LIPA.

NONPUBLIC PERSONAL INFORMATION. Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208). Contractor shall be liable for the costs associated with such breach if

caused by Contractor's negligent or willful acts or omissions, or the negligent or willful acts or omissions of the Contractor's agents, officers, employees or subcontractors.

IRAN DIVESTMENT ACT CERTIFICATION. Contractor certifies under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. In addition, Contractor agrees that no person on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law will be utilized as a subcontractor on this contract.

SEXUAL HARASSMENT PREVENTION CERTIFICATION. In accordance with New York State Finance Law Section 139-L, Contractor certifies that: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that the bidder has and has implemented a written policy addressing sexual harassment prevention in the workplace and provides annual sexual harassment prevention training to all of its employees. Such policy shall, at a minimum, meet the requirements of" New York State Labor Law Section 201-g.

ADMISSIBILITY OF REPRODUCTION OF CONTRACT. Notwithstanding the best evidence rule or any other legal principle or rule of evidence to the contrary, the Contractor acknowledges and agrees that it waives any and all objections to the admissibility into evidence at any court proceeding or to the use at any examination before trial of an electronic reproduction of this contract, in the form approved by the State Comptroller, if such approval was required, regardless of whether the original of said contract is in existence.

FEE ANNEX

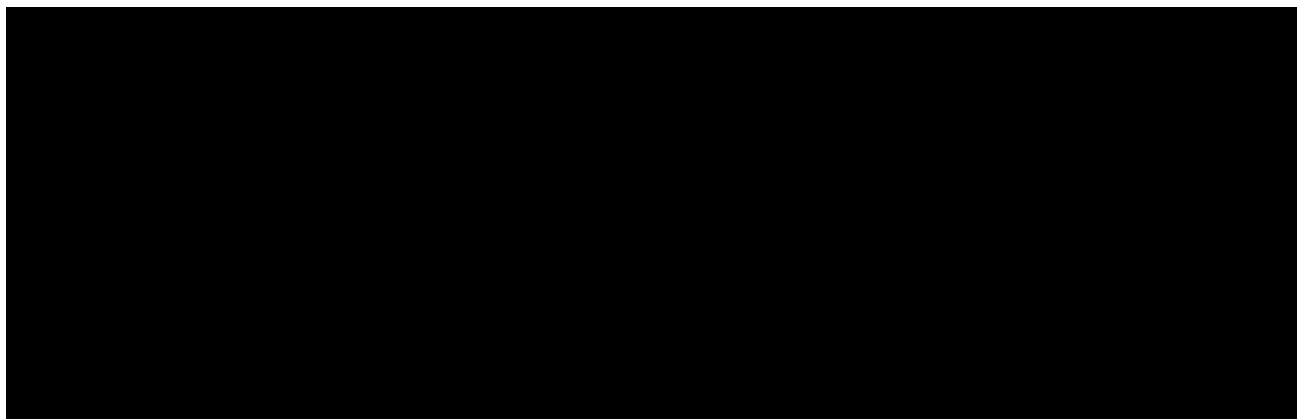
This FEE ANNEX forms part of the Reimbursement Agreement dated as of December 1, 2020 (as from time to time amended, supplemented, modified or restated, the “Agreement”), between the LONG ISLAND POWER AUTHORITY, a corporate municipal instrumentality of the State of New York (the “Authority”) and TD Bank, N.A. (together with its successors and assigns, the “Bank”), relating to the Authority’s \$200,000,000 Electric System General Revenue Notes, Series 2015 GR-1.

The purpose of this Fee Annex is to confirm the agreement between the Bank and the Authority with respect to the Letter of Credit Fees (as defined below) and certain other fees payable by the Authority to the Bank in connection with the Agreement. This Fee Annex and the Agreement are to be construed as one agreement between the Authority and the Bank, and all obligations hereunder are to be construed as obligations thereunder. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees and expenses payable under this Fee Annex. This Fee Annex is the Fee Annex referenced in the Agreement and the terms of this Fee Annex are incorporated by reference into the Agreement.

ARTICLE I. FEES.

Section 1.1. Letter of Credit Fees. The Authority agrees to pay to the Bank, in immediately available funds, without any requirement of notice or demand, on the first Business Day of April, 2015, for the period from and including the Original Closing Date to and including March 31, 2015, and in arrears on the first Business Day of each July, October, January and April occurring thereafter to and including the Termination Date, and on the Termination Date, a non-refundable letter of credit fee (the “Letter of Credit Fee”) in an amount, for each day during the related fee period, equal to the product of (x) the rate per annum associated with the Rating (as defined below) as specified in the applicable Level in the applicable pricing matrix below for such day (the “Letter of Credit Fee Rate”) multiplied by (y) the Stated Amount (without regard to any temporary reductions of the Stated Amount) for such day during each related period.

(i) For the period commencing on the Original Closing Date, to and including the Closing Date, the Letter of Credit Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:



(ii) For the period commencing on the Closing Date, and all times thereafter, the Letter of Credit Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

[REDACTED]

The term "Rating" as used above means the lowest long term unenhanced rating assigned to any Bonds or any Parity Obligations by Fitch, S&P and Moody's. In the event of a split rating (i.e., one of the Rating Agencies' Rating is at a different Level than the Rating of any of the other Rating Agencies), the Letter of Credit Fee Rate shall be based upon the Level in which the lowest Rating appears (for the avoidance of doubt, Level 4 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing grids). Any change in the Letter of Credit Fee Rate resulting from a change in a Rating will be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as determined by the Rating Agencies at the date hereof and, in the event of adoption of any new or changed rating system by any Rating Agency, including, without limitation, any recalibration or realignment of the Ratings in connection with the adoption of a "global" rating scale, each of the Ratings referred to above from the Rating Agency in question will be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as in effect at the date hereof. The Authority represents that as of the Closing Date the Letter of Credit Fee Rate is that specified above for Level 1 in the pricing grid in paragraph (ii) of this Section 1.1.

[REDACTED]

Section 1.2. Amendment, Waiver or Consent Fees. The Authority agrees to pay to the Bank on the date (i) of each amendment, supplement or modification to the Agreement or any other Document or (ii) on which the Bank consents or provides a waiver with respect to the Agreement or any other Document, a non-refundable fee in an amount not less than \$[REDACTED] or such greater amount as agreed to by the Authority and the Bank, plus, in each case, the reasonable fees and expenses of legal counsel to the Bank.

Section 1.3. Drawing Fees. The Authority agrees to pay to the Bank a non-refundable drawing fee of [REDACTED] for each Drawing under the Letter of Credit, payable on the date such Drawing is made.

Section 1.4. Transfer Fee. Upon each transfer of the Letter of Credit in accordance with its terms or appointment of a successor Issuing and Paying Agent under the Issuing and Paying Agency Agreement, the Authority agrees to pay the Bank a non-refundable fee of [REDACTED], and to reimburse the Bank for its actual costs and expenses associated with such transfer or appointment (including, but not limited to, the reasonable fees and expenses of legal counsel to the Bank), payable on the date of such transfer or appointment.

[REDACTED]

[REDACTED]

ARTICLE II. MISCELLANEOUS.

Section 2.1. Legal Fees. The Authority shall pay the reasonable legal fees and expenses of the Bank incurred in connection with the preparation and negotiation of the

Agreement, this Fee Annex and certain other Documents in an amount not to exceed \$[REDACTED], for counsel for the Bank, plus disbursements. Legal fees shall be paid directly to the Bank's counsel, Chapman and Cutler LLP, in accordance with the instructions provided by Chapman and Cutler LLP,

Section 2.2. No Disclosure. Unless required by law, the Authority shall not deliver or permit, authorize or consent to the delivery of this Fee Annex to a Dealer or any other Person for delivery to the Municipal Securities Rulemaking Board unless the Bank provides its prior written consent.

The Authority shall pay to the Bank promptly upon receipt of invoice any and all out-of-pocket expenses of the Bank incurred by the Bank in connection with the preparation, execution and delivery of the Agreement, the Letter of Credit and this Fee Agreement, but in any event not to exceed \$[REDACTED].

SUPPLEMENT #4 DATED JANUARY 8, 2021
TO THE
OFFERING MEMORANDUM DATED MAY 14, 2018,
AS SUPPLEMENTED ON MAY 27, 2020, SEPTEMBER 9, 2020 AND NOVEMBER 5, 2020
RELATING TO THE
\$1,000,000,000
Long Island Power Authority
Electric System General Revenue Notes

\$200,000,000 Series 2015 GR-1 consisting of Series 2015 GR-1A (Federally Taxable) and Series 2015 GR-1B (Tax-Exempt)	\$150,000,000 Series 2015 GR-2 consisting of Series 2015 GR-2A (Federally Taxable) and Series 2015 GR-2B (Tax-Exempt)
\$100,000,000 Series 2015 GR-3 consisting of Series 2015 GR-3A (Federally Taxable) and Series 2015 GR-3B (Tax-Exempt)	\$200,000,000 Series 2015 GR-4 consisting of Series 2015 GR-4A (Federally Taxable) and Series 2015 GR-4B (Tax-Exempt)
\$100,000,000 Series 2015 GR-5 consisting of Series 2015 GR-5A (Federally Taxable) and Series 2015 GR-5B (Tax-Exempt)	\$250,000,000 Series 2015 GR-6 consisting of Series 2015 GR-6A (Federally Taxable) and Series 2015 GR-6B (Tax-Exempt)

This Supplement relates solely to the Long Island Power Authority Electric System General Revenue Notes, Series 2015 GR-1 (the “Series 2015 GR-1 Notes”). Unless otherwise indicated, capitalized terms not defined in this Supplement have the meanings set forth in the Offering Memorandum.

Amended and Restated Certificate of Determination for the Series 2015 GR-1 Notes: Pursuant to the Authority’s Second Amended and Restated Certificate of Determination relating to the Series 2015 GR-1 Notes, dated January 8, 2021, the aggregate principal amount of all Series 2015 GR-1 Notes outstanding at any time cannot exceed \$200,000,000 and, as prescribed by the Supplemental Resolution, the maximum amount of all Series 2015 GR Notes, together with amounts borrowed under the Authority’s existing revolving credit agreement, cannot exceed \$1,200,000,000.

Amended and Restated Reimbursement Agreement for the Series 2015 GR-1 Notes: The Authority has entered into an Amended and Restated Reimbursement Agreement with TD Bank, N.A. (the “Bank”), pursuant to which the Bank issued in favor of The Bank of New York Mellon, New York, New York, as Issuing and Paying Agent, an irrevocable direct pay Letter of Credit in the stated amount of \$215,277,778 (consisting of a principal component of \$200,000,000 plus an interest component of \$15,277,778 (calculated at the maximum rate of 10% per annum for a period of 275 days and a year of 360 days)) due on the Series 2015 GR-1 Notes as provided therein.

The Letter of Credit is scheduled to expire on June 30, 2025, unless extended or earlier terminated pursuant to its terms. The Bank is obligated only for the amount payable under the Letter of Credit for the Series 2015 GR-1 Notes as described in the Offering Memorandum and is not obligated to pay any amount payable under any other Letter of Credit or for any Series 2015 GR Notes unrelated to its Letter of Credit.

Same Dealer for the Series 2015 GR-1 Notes: Goldman Sachs & Co. LLC continues to serve as Dealer for the Series 2015 GR-1 Notes pursuant to an amended and restated Dealer Agreement.

Appendix A: Appendix A-1 is replaced in its entirety by Appendix A-1 attached hereto.

Appendix D: The summary of the reimbursement agreement with contained in Appendix D is replaced in its entirety by the Amended and Restated Reimbursement Agreement, which has been filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB) and included herein by specific cross-reference.

Ratings: On or before the date hereof, Moody’s Investors Service, Inc. (“Moody’s”) has rated the Series 2015 GR-1 Notes “P-1” and S&P Global Ratings (“S&P”) has rated the Series 2015 GR-1 Notes “A-1+,” in each case based upon the issuance by the Bank of its Letter of Credit.

CERTAIN INFORMATION CONCERNING THE BANK

TD Bank, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its main office located in Wilmington, Delaware. The Bank is an indirect, wholly-owned subsidiary of The Toronto-Dominion Bank ("TD") and offers a full range of banking services and products to individuals, businesses and governments throughout its market areas, including commercial, consumer and trust services and indirect automobile dealer financing. The Bank operates banking offices in Connecticut, Delaware, the District of Columbia, Florida, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, New York, Pennsylvania, Rhode Island, South Carolina, Vermont and Virginia. As of September 30, 2020, the Bank had consolidated assets of \$388.3 billion, consolidated deposits of \$339.0 billion and stockholder's equity of \$43.2 billion, based on regulatory accounting principles.

Additional information regarding the foregoing, and the Bank and TD, is available from the filings made by TD with the U.S. Securities and Exchange Commission (the "SEC"), which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov>, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning TD and the Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The Letter of Credit has been issued by the Bank and is the obligation of the Bank and not TD.

The Bank will provide copies of the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

TD Bank, N.A.
1701 Route 70 East
Cherry Hill, New Jersey 08034
Attn: Corporate and Public Affairs

Information regarding the financial condition and results of operations of the Bank is contained in the quarterly Call Reports of the Bank delivered to the Comptroller of the Currency and available online at <https://cdr.ffiec.gov/public>. General information regarding the Bank may be found in periodic filings made by TD with the SEC. TD is a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare certain filings with the SEC in accordance with the disclosure requirements of Canada, its home country.

Canadian disclosure requirements are different from those of the United States. TD's financial statements are prepared in accordance with International Financial Reporting Standards, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The delivery hereof shall not create any implication that there has been no change in the affairs of TD or the Bank since the date hereof, or that the information contained or referred to in this Appendix A-1 is correct as of any time subsequent to its date.

NEITHER TD NOR ANY OTHER SUBSIDIARY OF TD OTHER THAN THE BANK IS OBLIGATED TO MAKE PAYMENTS UNDER THE LETTER OF CREDIT FOR THE SERIES 2015 GR-1 NOTES.

The Bank is responsible only for the information contained in this section of the Offering Memorandum and did not participate in the preparation of, or in any way verify the information contained in, any other part of the Offering Memorandum. Accordingly, the Bank assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Offering Memorandum.

SUPPLEMENT #3 DATED NOVEMBER 5, 2020
TO THE
OFFERING MEMORANDUM DATED MAY 14, 2018,
AS SUPPLEMENTED ON MAY 27, 2020 AND SEPTEMBER 9, 2020
RELATING TO THE
\$1,000,000,000*
Long Island Power Authority
Electric System General Revenue Notes

\$200,000,000 Series 2015 GR-1 consisting of Series 2015 GR-1A (Federally Taxable) and Series 2015 GR-1B (Tax-Exempt)	\$150,000,000 Series 2015 GR-2* consisting of Series 2015 GR-2A (Federally Taxable) and Series 2015 GR-2B (Tax-Exempt)
\$100,000,000 Series 2015 GR-3 consisting of Series 2015 GR-3A (Federally Taxable) and Series 2015 GR-3B (Tax-Exempt)	\$200,000,000 Series 2015 GR-4 consisting of Series 2015 GR-4A (Federally Taxable) and Series 2015 GR-4B (Tax-Exempt)
\$100,000,000 Series 2015 GR-5 consisting of Series 2015 GR-5A (Federally Taxable) and Series 2015 GR-5B (Tax-Exempt)	\$250,000,000 Series 2015 GR-6 consisting of Series 2015 GR-6A (Federally Taxable) and Series 2015 GR-6B (Tax-Exempt)

This Supplement relates solely to the Long Island Power Authority Electric System General Revenue Notes, Series 2015 GR-2 (the "Series 2015 GR-2 Notes"). Unless otherwise indicated, capitalized terms not defined in this Supplement have the meanings set forth in the Offering Memorandum.

Amended and Restated Certificate of Determination for the Series 2015 GR-2 Notes: Pursuant to the Authority's Second Amended and Restated Certificate of Determination relating to the Series 2015 GR-2 Notes, dated November 5, 2020, the aggregate principal amount of all Series 2015 GR-2 Notes outstanding at any time cannot exceed \$150,000,000 (which reflects an increase from the prior not-to-exceed amount of \$100,000,000) and, as prescribed by the Supplemental Resolution, the maximum amount of all Series 2015 GR Notes, together with amounts borrowed under the Authority's existing revolving credit agreement, cannot exceed \$1,200,000,000.

New Letter of Credit for the Series 2015 GR-2 Notes: In substitution for the Letter of Credit previously issued by State Street Bank and Trust Company, the Authority has entered into a Reimbursement Agreement with TD Bank, N.A. (the "Bank"), pursuant to which the Bank issued in favor of The Bank of New York Mellon, New York, New York, as Issuing and Paying Agent, an irrevocable direct pay Letter of Credit in the stated amount of \$161,458,334 (consisting of a principal component of \$150,000,000 plus an interest component of \$11,458,334 (calculated at the maximum rate of 10% per annum for a period of 275 days and a year of 360 days)) due on the Series 2015 GR-2 Notes as provided therein.

The new Letter of Credit is scheduled to expire on June 30, 2025, unless extended or earlier terminated pursuant to its terms. The Bank is obligated only for the amount payable under the Letter of Credit for the Series 2015 GR-2 Notes as described in the Offering Memorandum and is not obligated to pay any amount payable under any other Letter of Credit or for any Series 2015 GR Notes unrelated to its Letter of Credit.

Same Dealer for the Series 2015 GR-2 Notes: Wells Fargo Securities continues to serve as Dealer for the Series 2015 GR-2 Notes pursuant to an amended and restated Dealer Agreement.

Appendix A: Appendix A-2 is replaced in its entirety by Appendix A-2 attached hereto.

Appendix D: The summary of the reimbursement agreement with State Street Bank and Trust Company contained in Appendix D is replaced in its entirety by the Reimbursement Agreement, which has been filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB) and included herein by specific cross-reference.

Ratings: On or before the date hereof, Moody's Investors Service, Inc. ("Moody's") has rated the Series 2015 GR-2 Notes "P-1" and S&P Global Ratings ("S&P") has rated the Series 2015 GR-2 Notes "A-1+," in each case based upon the issuance by the Bank of its Letter of Credit.

* Reflects the increase in outstanding amount of Series 2015 GR-2 Notes that can be outstanding at any time.

CERTAIN INFORMATION CONCERNING THE BANK

TD Bank, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its main office located in Wilmington, Delaware. The Bank is an indirect, wholly-owned subsidiary of The Toronto-Dominion Bank ("TD") and offers a full range of banking services and products to individuals, businesses and governments throughout its market areas, including commercial, consumer and trust services and indirect automobile dealer financing. The Bank operates banking offices in Connecticut, Delaware, the District of Columbia, Florida, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, New York, Pennsylvania, Rhode Island, South Carolina, Vermont and Virginia. As of September 30, 2020, the Bank had consolidated assets of \$388.3 billion, consolidated deposits of \$339.0 billion and stockholder's equity of \$43.2 billion, based on regulatory accounting principles.

Additional information regarding the foregoing, and the Bank and TD, is available from the filings made by TD with the U.S. Securities and Exchange Commission (the "SEC"), which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov>, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning TD and the Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The Letter of Credit has been issued by the Bank and is the obligation of the Bank and not TD.

The Bank will provide copies of the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

TD Bank, N.A.
1701 Route 70 East
Cherry Hill, New Jersey 08034
Attn: Corporate and Public Affairs

Information regarding the financial condition and results of operations of the Bank is contained in the quarterly Call Reports of the Bank delivered to the Comptroller of the Currency and available online at <https://cdr.ffiec.gov/public>. General information regarding the Bank may be found in periodic filings made by TD with the SEC. TD is a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare certain filings with the SEC in accordance with the disclosure requirements of Canada, its home country.

Canadian disclosure requirements are different from those of the United States. TD's financial statements are prepared in accordance with International Financial Reporting Standards, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The delivery hereof shall not create any implication that there has been no change in the affairs of TD or the Bank since the date hereof, or that the information contained or referred to in this Appendix A-2 is correct as of any time subsequent to its date.

NEITHER TD NOR ANY OTHER SUBSIDIARY OF TD OTHER THAN THE BANK IS OBLIGATED TO MAKE PAYMENTS UNDER THE LETTER OF CREDIT FOR THE SERIES 2015 GR-2 NOTES.

The Bank is responsible only for the information contained in this section of the Offering Memorandum and did not participate in the preparation of, or in any way verify the information contained in, any other part of the Offering Memorandum. Accordingly, the Bank assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Offering Memorandum.

SUPPLEMENT #2 DATED SEPTEMBER 9, 2020
TO THE
OFFERING MEMORANDUM DATED MAY 14, 2018,
AS SUPPLEMENTED ON MAY 27, 2020
RELATING TO THE
\$950,000,000*
Long Island Power Authority
Electric System General Revenue Notes

\$200,000,000 Series 2015 GR-1 consisting of Series 2015 GR-1A (Federally Taxable) and Series 2015 GR-1B (Tax-Exempt)	\$100,000,000 Series 2015 GR-2 consisting of Series 2015 GR-2A (Federally Taxable) and Series 2015 GR-2B (Tax-Exempt)
\$100,000,000 Series 2015 GR-3 consisting of Series 2015 GR-3A (Federally Taxable) and Series 2015 GR-3B (Tax-Exempt)	\$200,000,000 Series 2015 GR-4 consisting of Series 2015 GR-4A (Federally Taxable) and Series 2015 GR-4B (Tax-Exempt)
\$100,000,000 Series 2015 GR-5 consisting of Series 2015 GR-5A (Federally Taxable) and Series 2015 GR-5B (Tax-Exempt)	\$250,000,000* Series 2015 GR-6 consisting of Series 2015 GR-6A (Federally Taxable) and Series 2015 GR-6B (Tax-Exempt)

This Supplement relates solely to the Long Island Power Authority Electric System General Revenue Notes, Series 2015 GR-6 (the "Series 2015 GR-6 Notes"). Unless otherwise indicated, capitalized terms not defined in this Supplement have the meanings set forth in the Offering Memorandum.

Amended and Restated Certificate of Determination for the Series 2015 GR-6 Notes: Pursuant to the Authority's Second Amended and Restated Certificate of Determination relating to the Series 2015 GR-6 Notes, dated September 9, 2020, the aggregate principal amount of all Series 2015 GR-6 Notes outstanding at any time cannot exceed \$250,000,000 (which reflects an increase from the prior not-to-exceed amount of \$100,000,000) and, as prescribed by the Supplemental Resolution, the maximum amount of all Series 2015 GR Notes, together with amounts borrowed under the Authority's existing revolving credit agreement, cannot exceed \$1,200,000,000.

Amended Reimbursement Agreement and Letter of Credit for the Series 2015 GR-6 Notes: The Authority and Barclays Bank PLC (the "Bank") previously entered into the Reimbursement Agreement (the "Original Reimbursement Agreement"), pursuant to which the Bank issued in favor of The Bank of New York Mellon, New York, New York, as Issuing and Paying Agent, an irrevocable direct pay Letter of Credit in support of principal and interest on the Series 2015 GR-6 Notes as provided therein (the "Original Letter of Credit").

To accommodate the increase in authorized amount of Series 2015 GR-6 Notes, the Authority and the Bank have executed an amendment to the Original Reimbursement Agreement (as amended, the "Reimbursement Agreement"), pursuant to which the Original Letter of Credit has been amended (the "Letter of Credit"). The Letter of Credit is in the stated amount of \$269,097,223 (consisting of a principal component of \$250,000,000 plus an interest component of \$19,097,223 (calculated at the maximum rate of 10% per annum for a period of 275 days and a year of 360 days)) due on the Series 2015 GR-6 Notes as provided therein. In addition, the Letter of Credit has been extended and is now scheduled to expire on March 14, 2024, unless extended or earlier terminated pursuant to its terms.

The Bank is obligated only for the amount payable under the Letter of Credit for the Series 2015 GR-6 Notes as described in the Offering Memorandum and is not obligated to pay any amount payable under any other Letter of Credit or for any Series 2015 GR Notes unrelated to its Letter of Credit.

Barclays Capital Inc. continues to serve as Dealer for the Series 2015 GR-6 Notes pursuant to an amended and restated Dealer Agreement.

Appendix D: The summary of the Original Reimbursement Agreement contained in Appendix D is replaced in its entirety by the Reimbursement Agreement, which has been filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB) and included herein by specific cross-reference.

Ratings: On or before the date hereof, Moody's Investors Service, Inc. ("Moody's") has rated the Series 2015 GR-6 Notes "P-1" and S&P Global Ratings ("S&P") has rated the Series 2015 GR-6 Notes "A-1," in each case based upon the issuance by the Bank of its Letter of Credit.

*Reflects the increase in outstanding amount of Series 2015 GR-6 Notes that can be outstanding at any time.

SUPPLEMENT DATED MAY 27, 2020
TO THE
OFFERING MEMORANDUM DATED MAY 14, 2018
RELATING TO THE
\$800,000,000
Long Island Power Authority
Electric System General Revenue Notes

\$200,000,000 Series 2015 GR-1 consisting of Series 2015 GR-1A (Federally Taxable) and Series 2015 GR-1B (Tax-Exempt)	\$100,000,000 Series 2015 GR-2 consisting of Series 2015 GR-2A (Federally Taxable) and Series 2015 GR-2B (Tax-Exempt)
\$100,000,000 Series 2015 GR-3 consisting of Series 2015 GR-3A (Federally Taxable) and Series 2015 GR-3B (Tax-Exempt)	\$200,000,000 Series 2015 GR-4 consisting of Series 2015 GR-4A (Federally Taxable) and Series 2015 GR-4B (Tax-Exempt)
\$100,000,000 Series 2015 GR-5 consisting of Series 2015 GR-5A (Federally Taxable) and Series 2015 GR-5B (Tax-Exempt)	\$100,000,000 Series 2015 GR-6 consisting of Series 2015 GR-6A (Federally Taxable) and Series 2015 GR-6B (Tax-Exempt)

This Supplement relates solely to the Long Island Power Authority Electric System General Revenue Notes, Series 2015 GR-3 (the "Series 2015 GR-3 Notes"). Unless otherwise indicated, capitalized terms not defined in this Supplement have the meanings set forth in the Offering Memorandum.

New Letter of Credit Bank and Dealer for the Series 2015 GR-3 Notes: In anticipation of the expiration of the Letter of Credit previously issued by U.S. Bank National Association, the Authority has entered into a Reimbursement Agreement with Bank of America, N.A. (the "Bank"), pursuant to which the Bank issued in favor of The Bank of New York Mellon, New York, New York, as Issuing and Paying Agent, an irrevocable direct pay Letter of Credit in the stated amount of \$107,638,889 (consisting of a principal component of \$100,000,000 plus an interest component of \$7,638,889 (calculated at the maximum rate of 10% per annum for a period of 275 days and a year of 360 days)) due on the Series 2015 GR-3 Notes as provided therein.

The new Letter of Credit is scheduled to expire on May 5, 2023, unless extended or earlier terminated pursuant to its terms. The Bank is obligated only for the amount payable under the Letter of Credit for the Series 2015 GR-3 Notes as described in the Offering Memorandum and is not obligated to pay any amount payable under any other Letter of Credit or for any Series 2015 GR Notes unrelated to its Letter of Credit.

Effective May 1, 2020, BofA Securities, Inc. was appointed to serve as Dealer (the "GR-3 Dealer") for the Series 2015 GR-3 Notes, replacing Wells Fargo Securities.

Pursuant to the Authority's Second Amended and Restated Certificate of Determination relating to the Series 2015 GR-3 Notes, dated May 5, 2020, the aggregate principal amount of all Series 2015 GR-3 Notes outstanding at any time cannot exceed \$100,000,000 and, as prescribed by the Supplemental Resolution, the maximum amount of all Series 2015 GR Notes, together with amounts borrowed under the Authority's existing revolving credit agreement, cannot exceed \$1,200,000,000.

References in the Offering Memorandum to the Bank, the Reimbursement Agreement, the Letter of Credit and the Dealer, as such terms relate to the Series 2015 GR-3 Notes, means Bank of America, N.A., the above-described Reimbursement Agreement, the above-described Letter of Credit and BofA Securities, Inc., respectively.

Appendix A: Appendix A-3 is replaced in its entirety by Appendix A-3 attached hereto.

Appendix D: The summary of the reimbursement agreement with U.S. Bank National Association contained in Appendix D is replaced in its entirety by the Reimbursement Agreement, which has been filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB) and included herein by specific cross-reference.

Ratings: On or before the date hereof, Moody's Investors Service, Inc. ("Moody's") has rated the Series 2015 GR-3 Notes "P-1" and S&P Global Ratings ("S&P") has rated the Series 2015 GR-3 Notes "A-1," in each case based upon the issuance by the Bank of its Letter of Credit.

The Bank has provided only the information related to itself set forth in Appendix A-3 hereto for inclusion in this Supplement and the Offering Memorandum and has not provided any other information for this Supplement or the Offering Memorandum. The Bank (i) has not independently verified or reviewed, (ii) makes no representation regarding, or (iii) accepts no responsibility for the accuracy or completeness of this Supplement or the Offering Memorandum or any information or disclosure contained herein, and Bank does not guarantee the accuracy of any information set forth herein or in the Offering Memorandum other than solely with respect to the information with respect to itself in Appendix A-3 hereto.

CERTAIN INFORMATION CONCERNING THE BANK

Bank of America, N.A. (the "*Bank*") is a national banking association organized under the laws of the United States, with its principal executive offices located in Charlotte, North Carolina. The Bank is a wholly-owned indirect subsidiary of Bank of America Corporation (the "*Corporation*") and is engaged in a general consumer banking, commercial banking and trust business, offering a wide range of commercial, corporate, international, financial market, retail and fiduciary banking services. As of December 31, 2019, the Bank had consolidated assets of \$1.853 trillion, consolidated deposits of \$1.498 trillion and stockholder's equity of \$212.16 billion based on regulatory accounting principles.

The Corporation is a bank holding company and a financial holding company, with its principal executive offices located in Charlotte, North Carolina. Additional information regarding the Corporation is set forth in its Annual Report on Form 10-K for the fiscal year ended December 31, 2019, together with its subsequent periodic and current reports filed with the Securities and Exchange Commission (the "SEC").

The SEC maintains a website at www.sec.gov which contains the filings that the Corporation files with the SEC such as reports, proxy statements and other documentation. The reports, proxy statements and other information the Corporation files with the SEC are also available at its website, www.bankofamerica.com.

The information concerning the Corporation and the Bank is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the referenced documents and financial statements referenced therein.

The Bank will provide copies of the most recent Bank of America Corporation Annual Report on Form 10-K, any subsequent reports on Form 10-Q, and any required reports on Form 8-K (in each case, as filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended), and the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

Bank of America Corporation
Office of the Corporate Secretary/Shareholder Relations
Hearst Tower, 214 North Tryon Street
NC1-027-18-05
Charlotte, NC 28255

PAYMENTS OF PRINCIPAL AND INTEREST ON THE SERIES 2015 GR-3 NOTES WILL BE MADE FROM DRAWINGS UNDER THE LETTER OF CREDIT. ALTHOUGH THE LETTER OF CREDIT IS A BINDING OBLIGATION OF THE BANK, THE SERIES 2015 GR-3 NOTES ARE NOT DEPOSITS OR OBLIGATIONS OF THE CORPORATION OR ANY OF ITS AFFILIATED BANKS AND ARE NOT GUARANTEED BY ANY OF THESE ENTITIES. THE SERIES 2015 GR-3 NOTES ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY AND ARE SUBJECT TO CERTAIN INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.

The delivery of this information shall not create any implication that there has been no change in the affairs of the Corporation or the Bank since the date of the most recent filings referenced herein, or that the information contained or referred to in this Appendix A-3 is correct as of any time subsequent to the referenced date.

BOOK-ENTRY-ONLY**OFFERING MEMORANDUM DATED MAY 14, 2018**

For a discussion of the tax-status of the Series 2015 GR Notes, see “TAX MATTERS” herein.

\$800,000,000**Long Island Power Authority
Electric System General Revenue Notes**

\$200,000,000 Series 2015 GR-1 consisting of Series 2015 GR-1A (Federally Taxable) and Series 2015 GR-1B (Tax-Exempt)	\$100,000,000 Series 2015 GR-2 consisting of Series 2015 GR-2A (Federally Taxable) and Series 2015 GR-2B (Tax-Exempt)
\$100,000,000 Series 2015 GR-3 consisting of Series 2015 GR-3A (Federally Taxable) and Series 2015 GR-3B (Tax-Exempt)	\$200,000,000 Series 2015 GR-4 consisting of Series 2015 GR-4A (Federally Taxable) and Series 2015 GR-4B (Tax-Exempt)
\$100,000,000 Series 2015 GR-5 consisting of Series 2015 GR-5A (Federally Taxable) and Series 2015 GR-5B (Tax-Exempt)	\$100,000,000 Series 2015 GR-6 consisting of Series 2015 GR-6A (Federally Taxable) and Series 2015 GR-6B (Tax-Exempt)

The Long Island Power Authority Electric System General Revenue Notes, Series 2015 GR-1 (the “Series 2015 GR-1 Notes”), Series 2015 GR-2 (the “Series 2015 GR-2 Notes”), Series 2015 GR-3 (the “Series 2015 GR-3 Notes”), Series 2015 GR-4 (the “Series 2015 GR-4 Notes”), Series 2015 GR-5 (the “Series 2015 GR-5 Notes”) and Series 2015 GR-6 (the “Series 2015 GR-6 Notes” and collectively with the Series 2015 GR-1 Notes, the Series 2015 GR-2 Notes, the Series 2015 GR-3 Notes, the Series 2015 GR-4 Notes and the Series 2015 GR-5 Notes, the “Series 2015 GR Notes”) offered hereby are issued in accordance with the terms and provisions of the Long Island Power Authority Act, being Title 1-A of Article 5 (§1020 *et. seq.*) of the Public Authorities Law of the State of New York, as amended, (the “Act”) and the Electric System General Revenue Bond Resolution adopted by the Long Island Power Authority (the “Authority”) on May 13, 1998, as amended and supplemented (herein called the “Resolution”), including as supplemented by the Twenty-Third Supplemental Resolution adopted by the Authority on August 6, 2014, as amended and restated on July 26, 2017 (herein called the “Supplemental Resolution”), authorizing the issuance at one time, or from time to time, of the Series 2015 GR Notes as described herein.

The Series 2015 GR-1 Notes will be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-1A (Federally Taxable)” (the “Series 2015 GR-1A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-1B (Tax-Exempt)” (the “Series 2015 GR-1B Tax-Exempt Notes”). The Series 2015 GR-2 Notes will be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-2A (Federally Taxable)” (the “Series 2015 GR-2A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-2B (Tax-Exempt)” (the “Series 2015 GR-2B Tax-Exempt Notes”). The Series 2015 GR-3 Notes will be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-3A (Federally Taxable)” (the “Series 2015 GR-3A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-3B (Tax-Exempt)” (the “Series 2015 GR-3B Tax-Exempt Notes”). The Series 2015 GR-4 Notes will be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-4A (Federally Taxable)” (the “Series 2015 GR-4A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-4B (Tax-Exempt)” (the “Series 2015 GR-4B Tax-Exempt Notes”). The Series 2015 GR-5 Notes will be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-5A (Federally Taxable)” (the “Series 2015 GR-5A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-5B (Tax-Exempt)” (the “Series 2015 GR-5B Tax-Exempt Notes”). The Series 2015 GR-6 Notes will be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-6A (Federally Taxable)” (the “Series 2015 GR-6A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-6B (Tax-Exempt)” (the “Series 2015 GR-6B Tax-Exempt Notes”).

In connection with the issuance of the Series 2015 GR Notes, the Authority has entered into a Reimbursement Agreement (collectively, the “Reimbursement Agreements”) with each of TD Bank, N.A. (“TD Bank”), State Street Bank and Trust Company (“State Street Bank”), U.S. Bank National Association (“U.S. Bank”), Royal Bank of Canada (“Royal Bank”), Citibank, N.A. (“Citibank”) and Barclays Bank PLC (“Barclays,” and collectively with TD Bank, State Street Bank, U.S. Bank, Royal Bank and Citibank, the “Banks”), pursuant to which each of the Banks issued in favor of The Bank of New York Mellon, New York, New York, as Issuing and Paying Agent (the “Issuing and Paying Agent”) an irrevocable direct pay Letter of Credit (collectively, the “Letters of Credit”) in the stated amount set forth herein plus an amount to pay interest (in an aggregate amount calculated at the rate of 10% per annum for a period of 275 days and a year of 360 days) due on the Series 2015 GR Notes as provided therein. The Letter of Credit for the Series 2015 GR-1 Notes is scheduled to expire on June 29, 2021, unless extended or earlier terminated pursuant to its respective terms. The Letter of Credit for the Series 2015 GR-2 Notes is scheduled to expire on March 11, 2022, unless extended or earlier terminated pursuant to its respective terms. The Letter of Credit for the Series 2015 GR-3 Notes is scheduled to expire on May 1, 2020, unless extended or earlier terminated pursuant to its respective terms. The Letter of Credit for the Series 2015 GR-4 Notes is scheduled to expire on March 12, 2021, unless extended or earlier terminated pursuant to its respective terms. The Letter of Credit for the Series 2015 GR-5 Notes is scheduled to expire on March 12, 2021, unless extended or earlier terminated pursuant to its respective terms. The Letter of Credit for the Series 2015 GR-6 Notes is scheduled to expire on March 14, 2022, unless extended or earlier terminated pursuant to its respective terms.

Each Bank is obligated only for the amount payable under its related Letter of Credit for the related series (each, a “Series”) of Series 2015 GR Notes as described herein and is not obligated to pay any amount payable under any other Letter of Credit or for any Series 2015 GR Notes unrelated to its Letter of Credit. Each Bank provided its Letter of Credit to support a separate Series of the Series 2015 GR Notes as follows:

<u>Bank</u>	<u>Notes</u>
TD Bank, N.A.	Series 2015 GR-1
State Street Bank and Trust Company	Series 2015 GR-2
U.S. Bank National Association	Series 2015 GR-3
Royal Bank of Canada	Series 2015 GR-4
Citibank, N.A.	Series 2015 GR-5
Barclays Bank PLC	Series 2015 GR-6

To the extent not paid from the proceeds of draws under the related Letter of Credit, the principal and interest on the related Series of Notes are payable at maturity solely from the proceeds of (1) other Series 2015 GR Notes and (2) pursuant to the Resolution, the revenues generated by the electric

transmission and distribution system (the “System”) owned by the Authority’s subsidiary, LIPA, subject to prior payment of operating expenses of the System and on a parity with Electric System General Revenue Bonds and other Parity Obligations of the Authority.

See “SECURITY FOR THE SERIES 2015 GR NOTES” below.

The Series 2015 GR Notes are not a debt of the State of New York or any municipality and neither the State nor any municipality shall be liable thereon.

The Series 2015 GR Notes will be executed and delivered only as fully registered notes without coupons, in the principal amount of \$100,000 and additional increments of \$1,000 above \$100,000. The Series 2015 GR Notes will be initially executed and delivered under a book-entry-only system and will be registered in the name of Cede & Co., as Noteholder and nominee of The Depository Trust Company, New York, New York. The Series 2015 GR Notes will be sold at a price of 100% of the principal amount thereof. Principal of and interest on the Series 2015 GR Notes will be payable through the Issuing and Paying Agent.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Series 2015 GR Notes. Investors are advised to read the entire Offering Memorandum, including any portion hereof included by reference, to obtain information essential to the making of an informed decision.

Goldman Sachs & Co. LLC

Dealer for Series 2015 GR-1 Notes

RBC Capital Markets, LLC

Dealer for Series 2015 GR-4 Notes

Wells Fargo Securities

Dealer for Series 2015 GR-2 Notes

Citigroup

Dealer for Series 2015 GR-5 Notes

Wells Fargo Securities

Dealer for Series 2015 GR-3 Notes

Barclays

Dealer for Series 2015 GR-6 Notes

No dealer, broker, salesperson or other person has been authorized by the Authority or the Dealers to give any information or to make any representation, other than the information and representations contained in this Offering Memorandum, in connection with the offering of the Series 2015 GR Notes, and, if given or made, such information or representations must not be relied upon as having been authorized by the Authority or the Dealers. This Offering Memorandum does not constitute an offer to sell or solicitation of an offer to buy any of the Series 2015 GR Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The information set forth herein has been furnished by the Authority and LIPA and includes information obtained from other sources, all of which are believed to be reliable. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Offering Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, LIPA, PSEG-LI, National Grid or the Banks since the date hereof. Such information and expressions of opinion are made for the purpose of providing information to prospective investors and are not to be used for any other purpose or relied on by any other party.

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

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

The Issuing and Paying Agent has no responsibility for the form and content of this Offering Memorandum and has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Offering Memorandum or any information or disclosure contained herein, or omitted herefrom.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE OFFERING MEMORANDUM AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS OFFERING MEMORANDUM CONSISTS OF THE COVER PAGE, THE INSIDE COVER PAGE, THE TABLE OF CONTENTS, THE MAIN BODY, THE APPENDICES AND THE INFORMATION INCLUDED BY SPECIFIC CROSS-REFERENCE HEREIN. THE OFFERING MEMORANDUM SHOULD BE READ IN ITS ENTIRETY. INFORMATION CONTAINED ON THE AUTHORITY’S WEB SITE DOES NOT CONSTITUTE PART OF THIS OFFERING MEMORANDUM.

Each Bank has provided only the information related to itself set forth in Appendix A for inclusion in this Offering Memorandum and has not provided any other information for this Offering Memorandum. No Bank (i) has independently verified or reviewed, (ii) makes any representation regarding, or (iii) accepts any responsibility for the accuracy or completeness of this Offering Memorandum or any information or disclosure contained herein, and no Bank guarantees the accuracy of any information set forth herein other than solely with respect to the information with respect to itself in Appendix A.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Offering Memorandum.

LONG ISLAND POWER AUTHORITY

333 Earle Ovington Blvd.
Uniondale, New York 11553
Telephone: (516) 222-7700

BOARD OF TRUSTEES

Ralph V. Suozzi — Chairman

Elkan Abramowitz
Sheldon L. Cohen
Matthew Cordaro
Drew Biondo

Mark Fischl
Peter J. Gollon
Jeffrey H. Greenfield
Thomas J. McAteer

AUTHORITY MANAGEMENT

Thomas Falcone—*Chief Executive Officer*
Kenneth Kane*—*Interim Chief Financial Officer*
Jon R. Mostel—*General Counsel*
Rick Shansky—*Vice President of Operations Oversight*
Bobbi O'Connor—*Vice President of Policy, Strategy and Administration and Secretary*
Donna Mongiardo—*Controller*
Kathleen Mitterway—*Director of Audit*

Bond Counsel

Hawkins Delafield & Wood LLP
New York, New York

Independent Accountants

KPMG LLP
Melville, New York

Disclosure Counsel

Squire Patton Boggs (US) LLP
New York, New York

Issuing and Paying Agent

The Bank of New York Mellon
New York, New York

Financial Advisor

Public Financial Management, Inc.
New York, New York

* Joseph A. Branca resigned his position as Chief Financial Officer effective May 11, 2018. Kenneth Kane has been appointed as Interim Chief Financial Officer, effective May 11, 2018, until a permanent replacement is selected. Mr. Kane had been serving as the Vice President of Financial Oversight.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
THE SERIES 2015 GR NOTES.....	3
Purpose of the Series 2015 GR Notes	3
Description of the Series 2015 GR Notes.....	3
SECURITY FOR THE SERIES 2015 GR NOTES.....	4
General	4
Letters of Credit for the Series 2015 GR Notes.....	4
Security for the Series 2015 GR Notes other than Letters of Credit	5
THE AUTHORITY	5
TAX MATTERS	6
Series 2015 GR Taxable Notes.....	6
Series 2015 GR Tax-Exempt Notes	8
APPROVAL OF LEGAL PROCEEDINGS.....	8
RATINGS.....	8
LEGALITY FOR INVESTMENT	9
ADDITIONAL INFORMATION.....	9
 APPENDIX A – The Banks	 A-1
APPENDIX B – Book-Entry-Only System	B-1
APPENDIX C – Bond Counsel Opinion	C-1
APPENDIX D – Summary of the GR Reimbursement Agreements	D-1

OFFERING MEMORANDUM

of the Long Island Power Authority
Relating to its

\$800,000,000
Long Island Power Authority
Electric System General Revenue Notes

\$200,000,000 Series 2015 GR-1
consisting of
Series 2015 GR-1A (Federally Taxable) and
Series 2015 GR-1B (Tax-Exempt)

\$100,000,000 Series 2015 GR-3
consisting of
Series 2015 GR-3A (Federally Taxable) and
Series 2015 GR-3B (Tax-Exempt)

\$100,000,000 Series 2015 GR-5
consisting of
Series 2015 GR-5A (Federally Taxable) and
Series 2015 GR-5B (Tax-Exempt)

\$100,000,000 Series 2015 GR-2
consisting of
Series 2015 GR-2A (Federally Taxable) and
Series 2015 GR-2B (Tax-Exempt)

\$200,000,000 Series 2015 GR-4
consisting of
Series 2015 GR-4A (Federally Taxable) and
Series 2015 GR-4B (Tax-Exempt)

\$100,000,000 Series 2015 GR-6
consisting of
Series 2015 GR-6A (Federally Taxable) and
Series 2015 GR-6B (Tax-Exempt)

INTRODUCTION

The Long Island Power Authority Electric System General Revenue Notes, Series 2015 GR-1 (the “Series 2015 GR-1 Notes”), Series 2015 GR-2 (the “Series 2015 GR-2 Notes”), Series 2015 GR-3 (the “Series 2015 GR-3 Notes”), Series 2015 GR-4 (the “Series 2015 GR-4 Notes”), Series 2015 GR-5 (the “Series 2015 GR-5 Notes”) and Series 2015 GR-6 (the “Series 2015 GR-6 Notes”) and collectively with the Series 2015 GR-1 Notes, the Series 2015 GR-2 Notes, the Series 2015 GR-3 Notes, the Series 2015 GR-4 Notes and the Series 2015 GR-5 Notes, the “Series 2015 GR Notes”) are being issued by the Long Island Power Authority (the “Authority”) pursuant to the Long Island Power Authority Act, being Title 1-A of Article 5 (§1020 *et seq.*) of the Public Authorities Law of the State of New York, as amended (the “Act”), and the Electric System General Revenue Bond Resolution of the Authority adopted on May 13, 1998 (the “General Resolution”), as amended by the Twenty-Second Supplemental Resolution of the Authority adopted on August 6, 2014 (the “Amendatory Resolution”), and as supplemented by the Twenty-Third Supplemental Resolution of the Authority adopted on August 6, 2014, as amended and restated on July 26, 2017, authorizing the Series 2015 GR Notes (the “Supplemental Resolution”). The General Resolution, as supplemented to the date hereof, including as supplemented by the Supplemental Resolution and as it may be further supplemented or amended in the future, is herein called the “Resolution.”

Pursuant to the Authority’s Amended and Restated Certificate of Determination relating to the Series 2015 GR-1 Notes (the “Series 2015 GR-1 Certificate of Determination”), dated March 14, 2018, the aggregate principal amount of all Series 2015 GR-1 Notes outstanding at any time shall not exceed \$200,000,000. Pursuant to the Authority’s Amended and Restated Certificate of Determination relating to the Series 2015 GR-2 Notes (the “Series 2015 GR-2 Certificate of Determination”), dated March 14, 2018, the aggregate principal amount of all Series 2015 GR-2 Notes outstanding at any time shall not exceed \$100,000,000. Pursuant to the Authority’s Amended and Restated Certificate of Determination relating to the Series 2015 GR-3 Notes (the “Series 2015 GR-3 Certificate of Determination”), dated March 14, 2018, the aggregate principal amount of all Series 2015 GR-3 Notes outstanding at any time shall not exceed \$100,000,000. Pursuant to the Authority’s Certificate of Determination relating to the Series 2015 GR-4 Notes (the “Series 2015 GR-4 Certificate of Determination”), dated March 14, 2018, the aggregate principal amount of all Series 2015 GR-4 Notes outstanding at any time shall not exceed \$200,000,000. Pursuant to the Authority’s Certificate of Determination relating to the Series 2015 GR-5 Notes (the “Series 2015 GR-5 Certificate of Determination”), dated March 14, 2018, the aggregate principal amount of all Series 2015 GR-5

Notes outstanding at any time shall not exceed \$100,000,000. Pursuant to the Authority's Certificate of Determination relating to the Series 2015 GR-6 Notes (the "Series 2015 GR-6 Certificate of Determination"), dated March 14, 2018, the aggregate principal amount of all Series 2015 GR-6 Notes outstanding at any time shall not exceed \$100,000,000. The Supplemental Resolution provides that, in the aggregate, the principal amount of (i) the Series 2015 GR Notes described herein, (ii) the Authority's Original Commercial Paper Notes Series CP-1 through CP-3 issued under the Third Supplemental Resolution (the "Original Commercial Paper Notes"), none of which remain outstanding, (iii) Subordinated Series 2014 Commercial Paper Notes (as described in the Supplemental Resolution) outstanding at any time and (iv) amounts drawn under any Letter of Credit which remain outstanding under the related Reimbursement Agreement and are not being reimbursed with the proceeds of Series 2015 GR Notes being issued at such time, together with the amount available under the Authority's Revolving Credit Agreement relating to its Electric System General Revenue Notes, Series 2013A, may not be in excess of \$1,000,000,000.

On May 1, 2018, upon the consent of a majority of the Owners of outstanding bonds and filing of necessary documents with the Trustee, the Amendatory Resolution became effective. The Amendatory Resolution amends the General Resolution by deleting a proviso appearing in Section 205(c)(iii) of the General Resolution, which stated that "no Bonds shall have a stated maturity less than 271 days after the date of issue thereof unless constituting a serial maturity of a Series with principal maturing in more than three consecutive Fiscal Years including the year of such maturity." The Amendatory Resolution thereby allows the Authority to issue short-term indebtedness that has no minimum stated maturity as senior lien obligations under the Resolution. Pursuant to the Supplemental Resolution and the Certificates of Determination, each Note issued on or after May 16, 2018 shall mature no later than 270 days from its date of issuance and shall not be subject to redemption prior to maturity.

The Series 2015 GR-1 Notes will be issued in two subseries designated as "Electric System General Revenue Notes, Series 2015 GR-1A (Federally Taxable)" (the "Series 2015 GR-1A Taxable Notes") and "Electric System General Revenue Notes, Series 2015 GR-1B (Tax-Exempt)" (the "Series 2015 GR-1B Tax-Exempt Notes"). The Series 2015 GR-2 Notes will be issued in two subseries designated as "Electric System General Revenue Notes, Series 2015 GR-2A (Federally Taxable)" (the "Series 2015 GR-2A Taxable Notes") and "Electric System General Revenue Notes, Series 2015 GR-2B (Tax-Exempt)" (the "Series 2015 GR-2B Tax-Exempt Notes"). The Series 2015 GR-3 Notes will be issued in two subseries designated as "Electric System General Revenue Notes, Series 2015 GR-3A (Federally Taxable)" (the "Series 2015 GR-3A Taxable Notes") and "Electric System General Revenue Notes, Series 2015 GR-3B (Tax-Exempt)" (the "Series 2015 GR-3B Tax-Exempt Notes"). The Series 2015 GR-4 Notes will be issued in two subseries designated as "Electric System General Revenue Notes, Series 2015 GR-4A (Federally Taxable)" (the "Series 2015 GR-4A Taxable Notes") and "Electric System General Revenue Notes, Series 2015 GR-4B (Tax-Exempt)" (the "Series 2015 GR-4B Tax-Exempt Notes"). The Series 2015 GR-5 Notes will be issued in two subseries designated as "Electric System General Revenue Notes, Series 2015 GR-5A (Federally Taxable)" (the "Series 2015 GR-5A Taxable Notes") and "Electric System General Revenue Notes, Series 2015 GR-5B (Tax-Exempt)" (the "Series 2015 GR-5B Tax-Exempt Notes"). The Series 2015 GR-6 Notes will be issued in two subseries designated as "Electric System General Revenue Notes, Series 2015 GR-6A (Federally Taxable)" (the "Series 2015 GR-6A Taxable Notes") and "Electric System General Revenue Notes, Series 2015 GR-6B (Tax-Exempt)" (the "Series 2015 GR-6B Tax-Exempt Notes"). The Series 2015 GR-1A Taxable Notes, the Series 2015 GR-2A Taxable Notes, the Series 2015 GR-3A Taxable Notes, the Series 2015 GR-4A Taxable Notes, the Series 2015 GR-5A Taxable Notes and the Series 2015 GR-6A Taxable Notes are collectively referred to as the Series 2015 GR Taxable Notes. The Series 2015 GR-1B Tax-Exempt Notes, Series 2015 GR-2B Tax-Exempt Notes, Series 2015 GR-3B Tax-Exempt Notes, Series 2015 GR-4B Tax-Exempt Notes, Series 2015 GR-5B Tax-Exempt Notes and the Series 2015 GR-6B Tax-Exempt Notes are collectively referred to as the Series 2015 GR Tax-Exempt Notes.

Unless the Authority elects at or prior to the time of the issuance of any Series 2015 GR Note, as evidenced by a supplement to the Certificate of Determination, the Series 2015 GR Notes will be issued as Series 2015 GR Taxable Notes, the interest on which is intended to be subject to federal income taxation. The Authority may by delivery to the Trustee of a supplement to the Certificate of Determination specify that some or all of the Series 2015 GR Notes be delivered as Series 2015 GR Tax-Exempt Notes, the interest on which is intended to be excluded from gross income for federal income tax purposes. If no such election is made by the Authority, all Series 2015 GR Notes shall be issued as Series 2015 GR Taxable Notes. See "TAX MATTERS."

The Series 2015 GR Notes will be issued under the Amended and Restated Issuing and Paying Agency Agreement, dated as of March 14, 2018 (the “Issuing and Paying Agency Agreement”), between the Authority and The Bank of New York Mellon, acting as Issuing and Paying Agent (the “Issuing and Paying Agent”).

Goldman Sachs & Co. LLC has been appointed to serve as the Dealer for the Series 2015 GR-1 Notes.

Wells Fargo Bank, N.A. has been appointed to serve as the Dealer for the Series 2015 GR-2 Notes and the Series 2015 GR-3 Notes. Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

RBC Capital Markets, LLC has been appointed to serve as the Dealer for the Series 2015 GR-4 Notes.

Citigroup Global Markets Inc. has been appointed to serve as the Dealer for the Series 2015 GR-5 Notes.

Barclays Capital Inc. has been appointed to serve as the Dealer for the Series 2015 GR-6 Notes.

Certain of the Dealers described above have entered into distribution agreements with other broker-dealers for the distribution of the Series 2015 GR Notes at the initial public offering prices. Such agreements generally provide that the relevant Dealer will share a portion of its underwriting compensation or selling concession with such broker-dealers.

Unless otherwise indicated, capitalized terms not defined in this Offering Memorandum have the meanings set forth in Appendix D under the heading “Glossary of Defined Terms.”

THE SERIES 2015 GR NOTES

Purpose of the Series 2015 GR Notes

Pursuant to the Supplemental Resolution and the Certificate of Determination, the proceeds of the Series 2015 GR Notes may be used (i) to pay or reimburse for costs of improvements to the System (defined below), (ii) to pay or reimburse for operating expenses relating to the System, (iii) to pay or reimburse for any amounts due under any financial contract entered into in connection with the Series 2015 GR Notes, (iv) to refund Series 2015 GR Notes or any other authorized obligations under the Supplemental Resolution or repay any amount drawn under a related credit facility, (v) to refund borrowings under the Authority’s Revolving Credit Agreement, (vi) to refund Subordinated Series 2014 Commercial Paper Notes or to repay any amount drawn under a related credit facility or to pay the Purchase Price of such Notes, (vii) to pay fees and expenses incurred in conjunction with each of the foregoing, (viii) to refund or redeem outstanding bonds and notes of the Authority, and (ix) such other purposes as may be specified by subsequent Authority resolution.

Description of the Series 2015 GR Notes

General

The Series 2015 GR Notes will be dated the date of their delivery, will be issued as interest-bearing and not as discount obligations in denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof and, except as described below, will be issued in book-entry form through the book-entry system of The Depository Trust Company (“DTC”). See “Appendix B-Book-Entry-Only System.” The Series 2015 GR Notes will be sold at a price of 100% of the principal amount thereof. Each Note will bear interest from its date of issuance at the rate determined at the date of issuance (which may not exceed 15% per annum) and payable at maturity. In accordance with the limitation set forth in the Supplemental Resolution and the Certificate of Determination, the Authority and the Issuing and Paying Agent have agreed in the Issuing and Paying Agency Agreement not to issue or permit the issuance of Series 2015 GR Notes to the extent that the sum of the aggregate amount of interest payable (including any portion thereof not yet accrued) of all outstanding Series 2015 GR Notes (after giving effect to such issuance) would exceed the amount that may be drawn under the Letters of Credit to pay interest on the Series 2015 GR

Notes. As described below, in connection with the issuance of the Series 2015 GR Notes and pursuant to the related Reimbursement Agreement, each Bank has issued in favor of the Issuing and Paying Agent its irrevocable direct pay Letter of Credit to pay principal and interest (in an aggregate amount calculated at the rate of 10% per annum for a period of 275 days and a year of 360 days) due on the related Series 2015 GR Notes supported by such Letter of Credit as provided therein (See “SECURITY FOR THE SERIES 2015 GR NOTES - Letters of Credit and Security for the Series 2015 GR Notes” below).

In the case of Series 2015 GR Taxable Notes, interest shall be calculated on the basis of a 360 day year of twelve 30 day months for the actual number of days elapsed to the dates on which such Series 2015 GR Taxable Notes mature. In the case of Series 2015 GR Tax-Exempt Notes, interest shall be calculated on the basis of a 365/366 day year for the actual number of days elapsed to the dates on which such Series 2015 GR Tax-Exempt Notes mature. The principal of and interest on the Series 2015 GR Notes will be paid at maturity to DTC and distributed by it to its Participants as described in “Appendix B-Book-Entry-Only System.”

Maturity

The Series 2015 GR Notes will mature no later than 270 days from their date of issuance and shall not be subject to redemption prior to maturity. Except as otherwise provided in the General Resolution, the Series 2015 GR Notes are not subject to acceleration of principal or interest.

SECURITY FOR THE SERIES 2015 GR NOTES

General

The Series 2015 GR Notes are issued pursuant to the Resolution and on a parity with the pledge thereof created in favor of Bonds (as defined in the Resolution) issued under the Resolution and all Parity Obligations (as defined in the Resolution). The principal of and interest on the Series 2015 GR Notes at maturity are payable from the proceeds of (1) draws under the related Letter of Credit, (2) other Series 2015 GR Notes and (3) pursuant to the Resolution, the Revenues generated by the electric transmission and distribution system (the “System”), owned by the Authority’s subsidiary, LIPA, subject to prior payment of operating expenses of the System. For a summary of certain provisions of the Resolution, see the complete document, which has been filed with EMMA and is included herein by specific cross-reference.

The Series 2015 GR Notes are not a debt of the State of New York (the “State”) or any municipality and neither the State nor any municipality shall be liable thereon. The Authority shall not have the power to pledge the credit, the revenues or the taxing power of the State or any municipality, and neither the credit, the revenues nor the taxing power of the State or any municipality shall be, or shall be deemed to be, pledged to the payment of any of the Series 2015 GR Notes. The Authority has no taxing power.

The Authority expects to pay the principal of and interest on the Series 2015 GR Notes of a Series with the proceeds of draws under the Letter of Credit related to such Series, and to immediately reimburse the respective Bank for such draws with the proceeds of the sale of additional Series 2015 GR Notes or to retire such Notes with other moneys either by the issuance of long-term Bonds issued under the Resolution or from other available moneys. Pursuant to the General Resolution, the obligation of the Authority to reimburse such Bank for amounts advanced under the related Letter of Credit or interest thereon shall constitute a Parity Reimbursement Obligation within the meaning of the General Resolution.

Letters of Credit for the Series 2015 GR Notes

In connection with the issuance of the Series 2015 GR Notes, the Authority has entered into a Reimbursement Agreement with each of the Banks, pursuant to which each of the Banks issued in favor of the Issuing and Paying Agent its irrevocable direct pay Letter of Credit for the stated amounts set forth below to pay principal and the amounts set forth below to pay interest (in an aggregate amount calculated at the rate of 10% per annum for a period of 275 days and a year of 360 days) due on the Series 2015 GR Notes supported by such Letter of Credit as provided therein. Each of the Banks is obligated only for the amount payable under its Letter of Credit

for the related Series of Series 2015 GR Notes and is not obligated to pay any amount payable under the other Letter of Credit or for any Series 2015 GR Notes not supported by its Letter of Credit. Each Bank provided its Letter of Credit in the amounts set forth below for the Series of Series 2015 GR Notes listed:

<u>Bank</u>	<u>Notes</u>	<u>Principal Amount</u>	<u>Interest Component</u>
TD Bank, N.A.	Series 2015 GR-1	\$200,000,000	\$15,277,778
State Street Bank and Trust Company	Series 2015 GR-2	100,000,000	7,638,889
U.S. Bank National Association	Series 2015 GR-3	100,000,000	7,638,889
Royal Bank of Canada	Series 2015 GR-4	200,000,000	15,277,778
Citibank, N.A.	Series 2015 GR-5	100,000,000	7,638,889
Barclays Bank PLC	Series 2015 GR-6	100,000,000	7,638,889

The Letter of Credit for the Series 2015 GR-1 Notes is scheduled to expire on June 29, 2021, the Letter of Credit for the Series 2015 GR-2 Notes is scheduled to expire on March 11, 2022, the Letter of Credit for the Series 2015 GR-3 Notes is scheduled to expire on May 1, 2020, the Letter of Credit for the Series 2015 GR-4 Notes is scheduled to expire on March 12, 2021, the Letter of Credit for the Series 2015 GR-5 Notes is scheduled to expire on March 12, 2021 and the Letter of Credit for the Series 2015 GR-6 Notes is scheduled to expire on March 14, 2022 in each case, unless extended or earlier terminated pursuant to its respective terms. The Supplemental Resolution provides that no Letter of Credit shall be substituted therefor, with respect to any Notes it secures, prior to the maturity of such Notes.

In accordance with the General Resolution, so long as (i) a Letter of Credit is in full force and effect, (ii) payment on such Letter of Credit is not in default, (iii) the applicable Bank shall not have failed to honor a properly presented and conforming draw under such the related Letter of Credit and (iv) the Bank is qualified to do business, the Bank will be deemed to be the sole Owner of the applicable Series 2015 GR Notes the payment of which such Letter of Credit secures when the approval, consent or action of the Owners of such Notes is required or may be exercised under the Resolutions.

For a summary of certain provisions of the Reimbursement Agreements, see Appendix D attached hereto.

For information relating to the Banks, see Appendix A attached hereto.

Security for the Series 2015 GR Notes other than Letters of Credit

To the extent not paid from the proceeds of draws under the related Letter of Credit, the principal of and interest on the Series 2015 GR Notes are payable at maturity solely from the proceeds of (1) other Series 2015 GR Notes and (2) pursuant to the Resolution, the Revenues generated by the System subject to prior payment of operating expenses of the System on a parity with the pledge thereof created in favor of Bonds issued under the Resolution and all Parity Obligations.

THE AUTHORITY

The Authority, acting through its wholly-owned subsidiary, the Long Island Lighting Company (“LILCO”) which does business under the names LIPA and Power Supply Long Island (“LIPA”), provides electric service in its service area which includes two counties on Long Island — Nassau County (“Nassau County”) and Suffolk County (“Suffolk County”) (except for the Nassau County villages of Freeport and Rockville Centre and the Suffolk County village of Greenport, each of which has its individually owned municipal electric system) — and a portion of the Borough of Queens of The City of New York known as the Rockaways.

The Authority is a corporate municipal instrumentality and a political subdivision of the State exercising essential governmental and public powers. The Authority was created by the State Legislature under and pursuant to the Act. LIPA is a stock corporation formed and existing under the Business Corporation Law of the State of New York.

The Authority and LIPA are parties to a Financing Agreement (the “Financing Agreement”) providing for their respective duties and obligations relating to the financing and operation of retail electric service in LIPA’s service area. See the summary of the Financing Agreement, which is issued by specific cross-reference herein.

The following documents filed with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (“MSRB”) by the Authority are included by specific cross-reference in this Offering Memorandum:

- Part 2 of the Authority’s Official Statement pertaining to the Authority’s Electric System General Revenue Bonds, Series 2017 (dated December 1, 2017, which speaks of that date);
- The Authority’s Basic Financial Statements December 31, 2016 and 2015 (With Independent Auditors’ Report Thereon) and Management’s Discussion and Analysis (Unaudited);
- The Glossary of Defined Terms;
- The Resolution; and
- The Financing Agreement.

For convenience, copies of these documents can be found on the Authority’s website (www.lipower.org) under the caption “Investor Relations – Financial Statements.” No statement on the Authority’s website is included by specific cross-reference herein.

In addition, pursuant to the continuing disclosure undertakings executed by the Authority in connection with its outstanding bonds, the Authority files annual reports and notices of certain material events with EMMA, and Official Statements prepared by the Authority in connection with sales of its bonds from time to time are filed with the EMMA. Holders of the Series 2015 GR Notes issued from time to time pursuant to the Supplemental Resolution should review such annual reports, notices and Official Statements for information about the Authority. Annual reports, notices of material events and Official Statements filed with EMMA after the date of this Offering Memorandum are hereby incorporated by reference herein.

TAX MATTERS

Series 2015 GR Taxable Notes

Under the Code, interest on the Series 2015 GR Taxable Notes is included in gross income for Federal income tax purposes. However, in the opinion of Bond Counsel to the Authority, under existing statutes, interest on the Series 2015 GR Taxable Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

The following discussion is a brief summary of the principal United States Federal income tax consequences of the acquisition, ownership and disposition of Series 2015 GR Taxable Notes by original purchasers of the Series 2015 GR Taxable Notes who are “U.S. Holders”, as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Series 2015 GR Taxable Notes will be held as “capital assets”; and (iii) does not discuss all of the United States Federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Series 2015 GR Taxable Notes as a position in a “hedge” or “straddle”, or holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, or holders who acquire Series 2015 GR Taxable Notes in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Holders of Series 2015 GR Taxable Notes should consult with their own tax advisors concerning the United States Federal income tax and other consequences with respect to the acquisition, ownership and disposition

of the Series 2015 GR Taxable Notes as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Characterization as Short-Term Obligations

Each Series 2015 GR Taxable Note is a “Short-Term Obligation” for Federal income tax purposes and, as such, is subject to rules contained in Sections 1281 through 1283 of the Code if the holder is an accrual method taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-through entities, or if the Series 2015 GR Taxable Note is held primarily for sale to customers, is identified under Section 1256(e)(2) of the Code as part of a hedging transaction, or is a stripped bond or coupon and held by the person responsible for the underlying stripping transaction. In any such instance, interest on, and any “acquisition discount” with respect to, the Series 2015 GR Taxable Note accrue on a ratable (straight-line) basis, subject to an election to accrue such interest and acquisition discount on a constant yield basis using a constant interest rate and daily compounding. For purposes of the preceding sentence, the term “acquisition discount” means the excess of the stated redemption price of a Series 2015 GR Taxable Note at maturity over the holder’s tax basis therefor.

A holder of a Series 2015 GR Taxable Note not described in the preceding paragraph, including a cash method taxpayer, must report interest income in accordance with the holder’s regular method of tax accounting, unless such holder irrevocably elects to accrue acquisition discount currently.

Disposition and Defeasance

Generally, upon the sale, exchange, retirement, or other disposition (which would include a legal defeasance) of a Series 2015 GR Taxable Note, a holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such holder’s adjusted tax basis in the Series 2015 GR Taxable Note.

The Authority may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Series 2015 GR Taxable Notes to be deemed to be no longer outstanding under the Resolution (a “defeasance”). For Federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Series 2015 GR Taxable Notes subsequent to any such defeasance could also be affected.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to non-corporate holders of the Series 2015 GR Taxable Notes with respect to payments of the principal of, payments of interest on, and the proceeds of the sale of a Series 2015 GR Taxable Note before maturity within the United States. Backup withholding may apply to holders of Notes under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner’s United States Federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holder

The term “U.S. Holder” means a beneficial owner of a Series 2015 GR Taxable Note that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States Federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or State level, may adversely affect the tax-exempt status of interest on the Series 2015 GR Taxable Notes under State law and could affect the market price or marketability of the Series 2015 GR Taxable Notes. Prospective purchasers of the Series 2015 GR Taxable Notes should consult their own tax advisors regarding the foregoing matters.

Series 2015 GR Tax-Exempt Notes

The Certificate of Determination requires as a condition to issuance of the Series 2015 GR Tax-Exempt Notes that an opinion of Bond Counsel be delivered to the effect that, under then-existing statutes and court decisions and assuming continuing compliance with certain tax covenants to be described in such opinion, interest on the Series 2015 GR Tax-Exempt Notes is excluded from gross income for Federal income tax purposes. In rendering any such opinion, Bond Counsel will rely on certain representations, certifications of facts, and statements of reasonable expectations made by the Authority and LIPA in connection with the issuance of the Series 2015 GR Tax-Exempt Notes, and Bond Counsel will assume compliance by the Authority and LIPA with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2015 GR Tax-Exempt Notes from gross income for federal income tax purposes. A supplement to this Offering Memorandum will be supplied to purchasers of Series 2015 GR Tax-Exempt Notes further describing such opinion and the tax treatment of such Series 2015 GR Tax-Exempt Notes and containing a copy of such opinion of Bond Counsel. Prospective purchasers of Series 2015 GR Tax-Exempt Notes should review such Supplement and opinion prior to purchasing Series 2015 GR Tax-Exempt Notes.

APPROVAL OF LEGAL PROCEEDINGS

Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Authority, will render an opinion with respect to the validity of the Series 2015 GR Notes in the form set forth in Appendix C to this Offering Memorandum. Certain legal matters with respect to the Authority and LIPA were passed upon by Jon R. Mostel, Esquire, General Counsel to the Authority and LIPA. Certain legal matters were passed upon for TD Bank, State Street Bank and Trust Company, U.S. Bank, Royal Bank of Canada and Citibank in connection with the applicable delivery of the Letters of Credit by Chapman and Cutler LLP, Chicago, Illinois, Counsel to TD Bank, State Street Bank and Trust Company, U.S. Bank, Royal Bank of Canada and Citibank. Certain legal matters were passed upon for Barclays Bank PLC in connection with the applicable delivery of the Letters of Credit by McDermott Will & Emery LLP, New York, New York, Counsel to Barclays Bank PLC.

RATINGS

Fitch, Inc. ("Fitch") has rated the Series 2015 GR-1 Notes "F1+", the Series 2015 GR-2 Notes "F1+", the Series 2015 GR-4 Notes "F1+", the Series 2015 GR-5 Notes "F1", and the Series 2015 GR-6 Notes "F1" in each case based upon the issuance by the respective Bank of its Letter of Credit. Moody's Investors Service, Inc. ("Moody's") has rated the Series 2015 GR-1 Notes "P-1", the Series 2015 GR-2 Notes "P-1", the Series 2015 GR-3 Notes "P-1", the Series 2015 GR-4 Notes "P-1", the Series 2015 GR-5 Notes "P-1", and the Series 2015 GR-6 Notes "P-1" in each case based upon the issuance by the respective Bank of its Letter of Credit. S&P Global Ratings ("S&P") has rated the Series 2015 GR-1 Notes "A-1+", the Series 2015 GR-2 Notes "A-1+", the Series 2015 GR-3 Notes "A-1+", the Series 2015 GR-4 Notes "A-1+", the Series 2015 GR-5 Notes "A-1", and the Series 2015 GR-6 Notes "A-1" in each case based upon the issuance by the respective Bank of its Letter of Credit. The respective ratings by Fitch, Moody's and S&P of the Series 2015 GR Notes reflect only the views of such organizations and any desired explanation of the significance of such ratings and any outlooks or other statements given by the rating agencies with respect thereto should be obtained from the rating agency furnishing the same, at the following addresses: Fitch Ratings, Inc., 33 Whitehall Street, New York, New York 10004; Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; and S&P Global Ratings, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating and outlook (if any) on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings for the Series 2015 GR Notes will continue for any given period of time or that any of such ratings will not be revised downward or withdrawn entirely by any of the rating agencies, if, in the judgment of such rating agency or agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2015 GR Notes.

LEGALITY FOR INVESTMENT

The Act provides that the Series 2015 GR Notes will be legal investments for public officers and bodies of the State and all municipalities, insurance companies and associations and other persons carrying on an insurance business, banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business, all trusts, estates and guardianships, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the State, or may properly and legally invest funds, including capital in their control or belonging to them. Under the Act, the Series 2015 GR Notes are also securities which may be deposited with and may be received by all public officers and bodies of the State and all municipalities for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized.

ADDITIONAL INFORMATION

The references herein to the Letters of Credit, the Reimbursement Agreements, the Resolution, the Financing Agreement and the Issuing and Paying Agency Agreement are brief outlines of certain provisions thereof. Such outlines do not purport to be complete, and reference is made to such documents for full and complete statements of such documents. Copies of such documents are on file at the Trustee. Copies of certain of such documents may also be obtained from EMMA.

TD Bank, N.A.

TD Bank, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its main office located in Wilmington, Delaware. The Bank is an indirect, wholly-owned subsidiary of The Toronto-Dominion Bank ("TD") and offers a full range of banking services and products to individuals, businesses and governments throughout its market areas, including commercial, consumer and trust services and indirect automobile dealer financing. The Bank operates banking offices in Connecticut, Delaware, the District of Columbia, Florida, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, New York, Pennsylvania, Rhode Island, South Carolina, Vermont and Virginia. As of March 31, 2018, the Bank had consolidated assets of \$294.8 billion, consolidated deposits of \$251.6 billion and stockholder's equity of \$37.2 billion, based on regulatory accounting principles.

Additional information regarding the foregoing, and the Bank and TD, is available from the filings made by TD with the U.S. Securities and Exchange Commission (the "SEC"), which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov>, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning TD and the Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The Letter of Credit for the Series 2015 GR-1 Notes has been issued by the Bank and is the obligation of the Bank and not TD.

The Bank will provide copies of the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

TD Bank, N.A.
1701 Route 70 East
Cherry Hill, New Jersey 08034
Attn: Corporate and Public Affairs

Information regarding the financial condition and results of operations of the Bank is contained in the quarterly Call Reports of the Bank delivered to the Comptroller of the Currency and available online at <https://cdr.ffiec.gov/public>. General information regarding the Bank may be found in periodic filings made by TD with the SEC. TD is a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare certain filings with the SEC in accordance with the disclosure requirements of Canada, its home country. Canadian disclosure requirements are different from those of the United States. TD's financial statements are prepared in accordance with International Financial Reporting Standards, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The delivery hereof shall not create any implication that there has been no change in the affairs of TD or the Bank since the date hereof, or that the information contained or referred to in this Appendix A-1 is correct as of any time subsequent to its date.

NEITHER TD NOR ANY OTHER SUBSIDIARY OF TD OTHER THAN THE BANK IS OBLIGATED TO MAKE PAYMENTS UNDER THE Letter of Credit relating to the Series 2015 GR-1 Notes.

The Bank is responsible only for the information contained in this section of the Offering Memorandum and did not participate in the preparation of, or in any way verify the information contained in, any other part of the Offering Memorandum. Accordingly, the Bank assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Offering Memorandum.

State Street Bank and Trust Company

State Street Bank and Trust Company (the “Bank”) is a wholly-owned subsidiary of State Street Corporation (the “Corporation”). The Corporation (NYSE: STT) through its subsidiaries, including the Bank, provides a broad range of financial products and services to institutional investors worldwide. With \$33.12 trillion in assets under custody and administration and \$2.78 trillion in assets under management as of December 31, 2017, the Corporation operates in more than 100 geographic markets worldwide. As of December 31, 2017, the Corporation had consolidated total assets of \$238.43 billion, consolidated total deposits (including deposits in non-U.S. offices) of \$184.90 billion, total investment securities of \$97.58 billion, total loans and leases, net of unearned income and allowance for loan losses, of \$23.24 billion, and total shareholders’ equity of \$22.32 billion.

The Bank’s *Consolidated Reports of Condition and Income for A Bank With Domestic and Foreign Offices Only -- FFIEC 031* (the “Call Reports”) through December 31, 2017 have been submitted through the Federal Financial Institutions Examination Council and provided to the Board of Governors of the Federal Reserve System, the primary U.S. federal banking agency responsible for regulating the Corporation and the Bank. Publicly available portions of those Call Reports, and future Call Reports so submitted by the Bank, are available on the Federal Deposit Insurance Corporation’s website at www.fdic.gov. The Call Reports are prepared in conformity with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles.

Additional financial and other information related to the Corporation and the Bank, including the Corporation’s Annual Report on Form 10-K for the year ended December 31, 2017 and additional annual, quarterly and current reports subsequently filed or furnished by the Corporation with the U.S. Securities and Exchange Commission (the “SEC”), can be accessed free of charge on the SEC’s website at www.sec.gov.

Any statement contained in any document referred to above shall be deemed to be modified or superseded for purposes of this Offering Memorandum to the extent that a statement contained herein or in any subsequently submitted, filed or furnished document that also is referred to above modifies or supersedes such statement. The delivery hereof shall not create any implication that there has been no change in the affairs of the Bank or the Corporation since the date hereof, or that information contained or referred to in this Appendix is correct as of any time subsequent to this date. The information concerning the Corporation, the Bank or any of their respective affiliates is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced here.

A copy of any or all of the publicly available portions of the documents referred to above, other than exhibits to such documents, may be obtained without charge to each person to whom a copy of this Offering Memorandum has been delivered, on the written request of any such person. Written requests for such copies should be directed to Investor Relations, State Street Corporation, One Lincoln Street, Boston, Massachusetts 02111, telephone number 617-786-3000.

The Letter of Credit for the Series 2015 GR-2 Notes is an obligation solely of the Bank and is not an obligation of, or otherwise guaranteed by, the Corporation or any of its affiliates (other than the Bank). Neither the Corporation nor any of its affiliates (other than the Bank) is required to make payments under the Letter of Credit for the Series 2015 GR-2 Notes. None of the Bank, the Corporation or any of their respective affiliates makes any representation as to, or is responsible for the suitability of the Series 2015 GR-2 Notes for any investor, the feasibility or performance of any project or compliance with any securities or tax laws or regulations. The Series 2015 GR-2 Notes are not direct obligations of, or guaranteed by, the Bank, the Corporation or any of their respective affiliates, except to the extent provided by in the Letter of Credit for the Series 2015 GR-2 Notes.

U.S. Bank National Association

U.S. Bank National Association (“USBNA”) is a national banking association organized under the laws of the United States and is the largest subsidiary of U.S. Bancorp. At March 31, 2018, USBNA reported total assets of \$452 billion, total deposits of \$355 billion and total shareholders’ equity of \$47 billion. The foregoing financial information regarding USBNA has been derived from and is qualified in its entirety by the unaudited financial information contained in the Federal Financial Institutions Examination Council report Form 031, Consolidated Report of Condition and Income for a Bank with Domestic and Foreign Offices (“Call Report”), for the quarter ended March 31, 2018. The publicly available portions of the quarterly Call Reports with respect to USBNA are on file with, and available upon request from, the FDIC, 550 17th Street, NW, Washington, D.C. 20429 or by calling the FDIC at (877) 275-3342. The FDIC also maintains an Internet website at www.fdic.gov that contains reports and certain other information regarding depository institutions such as USBNA. Reports and other information about USBNA are available to the public at the offices of the Comptroller of the Currency at One Financial Place, Suite 2700, 440 South LaSalle Street, Chicago, IL 60605.

U.S. Bancorp is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other information with the Securities and Exchange Commission (the “SEC”). U.S. Bancorp is not guaranteeing the obligations of USBNA and is not otherwise liable for the obligations of USBNA.

Except for the contents of this section, USBNA and U.S. Bancorp assume no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Offering Memorandum.

Royal Bank of Canada

Royal Bank of Canada (referred to in this Appendix as “Royal Bank” or “we”) is a Schedule I bank under the *Bank Act* (Canada), which constitutes its charter and governs its operations. Royal Bank’s corporate headquarters are located at Royal Bank Plaza, 200 Bay Street, Toronto, Ontario M5J 2J5, Canada, and its head office is located at 1 Place Ville Marie, Montreal, Quebec H3C 3A9, Canada. Royal Bank is the parent company of RBC Capital Markets, LLC, the dealer for the Series 2015 GR-4 Notes.

Royal Bank is a global financial institution with a purpose-driven, principles-led approach to delivering leading performance. Our success comes from the 81,000+ employees who bring our vision, values and strategy to life so we can help our clients thrive and communities prosper. As Canada’s biggest bank, and one of the largest in the world based on market capitalization, we have a diversified business model with a focus on innovation and providing exceptional experiences to our 16 million clients in Canada, the U.S. and 34 other countries.

Royal Bank had, on a consolidated basis, as at January 31, 2018, total assets of C\$1,276.3 billion (approximately US\$989.4 billion*), equity attributable to shareholders of C\$72.7 billion (approximately US\$56.4 billion*) and total deposits of C\$800.0 billion (approximately US\$620.2 billion*). The foregoing figures were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been extracted and derived from, and are qualified by reference to, Royal Bank’s unaudited Interim Condensed Consolidated Financial Statements included in its quarterly Report to Shareholders for the fiscal period ended January 31, 2018.

The senior long-term unsecured debt of Royal Bank has been assigned ratings of AA- (negative outlook) by S&P Global Ratings, A1 (negative outlook) by Moody’s Investors Service and AA (stable outlook) by Fitch Ratings. Royal Bank’s common shares are listed on the Toronto Stock Exchange, the New York Stock Exchange and the Swiss Exchange under the trading symbol “RY.” Its preferred shares are listed on the Toronto Stock Exchange.

On written request, and without charge, Royal Bank will provide a copy of its most recent publicly filed Annual Report on Form 40-F, which includes audited Consolidated Financial Statements, to any person to whom this Offering Memorandum is delivered. Requests for such copies should be directed to Investor Relations, Royal Bank of Canada, by writing to 155 Wellington Street West, Toronto, Ontario, M5W 3K7, Canada, or by calling (416) 955-7802, or by visiting rbc.com/investorrelations**.

The delivery of this Offering Memorandum does not imply that there has been no change in the affairs of Royal Bank since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

*As at January 31, 2018: C\$1.00 = US\$0.812678

** This website URL is an inactive textual reference only, and none of the information on the website is incorporated in this Offering Memorandum.

Citibank, N.A.

Citibank was originally organized on June 16, 1812, and now is a national banking association organized under the National Bank Act of 1864. Citibank is an indirect wholly owned subsidiary of Citigroup Inc. (“Citigroup”), a Delaware holding company.

The long-term ratings of Citibank and its consolidated subsidiaries are as follows:

Rating Agency	Long-Term	Short-Term	Outlook
Moody’s	A1	P-1	Positive
S&P	A+	A-1	Stable
Fitch	A+	F1	Stable

Citibank is a commercial bank that, along with its subsidiaries and affiliates, offers a wide range of banking and trust services to its customers throughout the United States and the world. As a national bank, Citibank is a regulated entity permitted to engage only in banking and activities incidental to banking. Citibank is primarily regulated by the Office of the Comptroller of the Currency (the “Comptroller”), which also examines its loan portfolios and reviews the sufficiency of its allowance for credit losses.

Citibank’s deposits at its U.S. branches are insured by the Federal Deposit Insurance Corporation (the “FDIC”) and are subject to FDIC insurance assessments. The Letter of Credit is not insured by the FDIC or any other regulatory agency of the United States or any other jurisdiction. Citibank may, under certain circumstances, be obligated for the liabilities of its affiliates that are FDIC-insured depository institutions.

Under U.S. law, deposits in U.S. offices and certain claims for administrative expenses and employee compensation against a U.S. insured depository institution which has failed will be afforded a priority over other general unsecured claims, including deposits in non-U.S. offices and claims under non-depository contracts in all offices, against such an institution in the “liquidation or other resolution” of such an institution by any receiver. Such priority creditors (including the FDIC, as the subrogee of insured depositors) of such FDIC-insured depository institution will be entitled to priority over unsecured creditors in the event of a “liquidation or other resolution” of such institution.

For further information regarding Citibank, reference is made to the Annual Report on Form 10-K of Citigroup and its subsidiaries for the year ended December 31, 2017, filed by Citigroup with the Securities and Exchange Commission (the “SEC”). Copies of Citigroup’s 10-K may be obtained, upon payment of a duplicating fee, by writing to the SEC at 100 F Street, N.E., Washington, D.C. 20549. In addition, Citigroup’s 10-K is available at the SEC’s web site (<http://www.sec.gov>).

In addition, Citibank submits quarterly to the Comptroller certain reports called “Consolidated Reports of Condition and Income for a Bank With Domestic and Foreign Offices” (“Call Reports”). The Call Reports are on file with, and publicly available at, the Comptroller’s offices at 250 E Street, SW, Washington, D.C. 20219 and are also available on the web site of the FDIC (<http://www.fdic.gov>). Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules at the end of and for the period to which the report relates.

Any of the reports referenced above are available upon request without charge from Citi Document Services by calling toll-free at (877) 936-2737 (outside the United States at (716) 730-8055), by e-mailing a request to docserve@citi.com or by writing to: Citi Document Services, 540 Crosspoint Parkway, Getzville, New York 14068.

The information contained in Appendix A-5 “THE BANKS—Citibank, N.A.” in this Offering Memorandum relates to and has been obtained from Citibank. The information concerning Citibank contained herein is furnished solely to provide limited introductory information regarding Citibank and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced above.

Barclays Bank PLC

Barclays Bank PLC (the Bank, and together with its subsidiary undertakings, the Bank Group) is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings, the Group) is the ultimate holding company of the Group.

The Group is a transatlantic consumer and wholesale bank with global reach offering products and services across personal, corporate and investment banking, credit cards and wealth management, with a strong presence in the Group's two home markets of the UK and the US. The Group is focused on two core divisions – Barclays UK and Barclays International.

Both Barclays UK and Barclays International have historically operated within the legal entity Barclays Bank PLC. However, on 1 April 2018 the Barclays UK division formally separated into a new legal entity – Barclays Bank UK PLC (the UK Ring-fenced Bank), which is the Group's UK ring-fenced bank. The UK Ring-fenced Bank offers everyday products and services to retail and consumer customers and small to medium sized enterprises based in the UK. Products and services designed for the Group's larger corporate, wholesale and international banking clients will continue to be offered by Barclays International from within the Bank. The UK Ring-fenced Bank will operate alongside, but have the ability to take decisions independently from, the Bank as part of the Group under Barclays PLC.

The short term unsecured obligations of the Bank are rated A-1 by Standard & Poor's Credit Market Services Europe Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the long-term unsecured unsubordinated obligations of the Bank are rated A by Standard & Poor's Credit Market Services Europe Limited, A2 by Moody's Investors Service Ltd. and A by Fitch Ratings Limited.

Based on the Bank Group's audited financial information for the year ended 31 December 2017, the Bank Group had total assets of £1,129,343m (2016: £1,213,955m), total net loans and advances¹ of £401,762m (2016: £436,417m), total deposits² of £467,332m (2016: £472,917m), and total equity of £65,734m (2016: £70,955m) (including non-controlling interests of £1m (2016: £3,522m)). The profit before tax of the Bank Group for the year ended 31 December 2017 was £3,166m (2016: £4,383m) after credit impairment charges and other provisions of £2,336m (2016: £2,373m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Bank for the year ended 31 December 2017.

The delivery of the information concerning the Bank and the Bank Group contained in this Appendix A-6 shall not create any implication that there has been no change in the affairs of the Bank and the Bank Group since the date hereof, or that the information contained or referred to in this Appendix A-6 is correct as of any time subsequent to its date.

Barclays Bank PLC is responsible only for the information contained in this Appendix A-6 and did not participate in the preparation of, or in any way verify the information contained in, any other part of the Offering Memorandum. Accordingly, Barclays Bank PLC assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Offering Memorandum.

¹ Total net loans and advances include balances relating to both bank and customer accounts.

² Total deposits include deposits from bank and customer accounts.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Series 2015 GR Notes. The Series 2015 GR Notes will be issued as fully-registered bonds 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 note certificate will be issued for each Series of Series 2015 GR Notes in the aggregate principal amount of the maturity of such Notes, 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 DTC Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s Rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2015 GR Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2015 GR Notes on DTC’s records. The ownership interest of each actual purchaser of Series 2015 GR Notes (“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, but Beneficial Owners are 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 Series 2015 GR Notes 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 Series 2015 GR Notes, except in the event that use of the book-entry system for a Series of the Series 2015 GR Notes is discontinued.

To facilitate subsequent transfers, all Series 2015 GR Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2015 GR Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015 GR Notes; DTC’s records reflect only the identity of the Direct DTC Participants to whose accounts such Series 2015 GR Notes are credited, which may or may not be the Beneficial Owners. The Direct or Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Redemption notices shall be sent to DTC. If less than all of the Series 2015 GR Notes within a maturity of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (or any other DTC nominee) will consent or vote with respect to Series 2015 GR Notes unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an omnibus proxy (the "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 Series 2015 GR Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2015 GR Notes 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 DTC Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to a Series of the Series 2015 GR Notes 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, the Series 2015 GR Notes are required to be printed and delivered.

The Authority and the Trustee may treat DTC (or its nominee) as the sole and exclusive registered owner of the Series 2015 GR Notes registered in its name for the purposes of payment of the redemption proceeds and principal and interest on the Series 2015 GR Notes, giving any notice permitted or required to be given to registered owners under the Resolution, registering the transfer of the Series 2015 GR Notes, or other action to be taken by registered owners and for all other purposes whatsoever. The Authority and the Trustee shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series 2015 GR Notes under or through DTC or any Participant, or any other person which is not shown on the registration books of the Authority (kept by the Trustee) as being a registered owner, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal, redemption premium, if any, or interest on the Series 2015 GR Notes; any notice which is permitted or required to be given to registered owners thereunder or under the conditions to transfers or exchanges adopted by the Authority; or other action taken by DTC as a registered owner.

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, the Series 2015 GR Notes will be printed and delivered to DTC.

Unless otherwise noted, certain of the information contained in the preceding paragraphs of this Appendix B has been extracted from information given by DTC. Neither the Authority, the Trustee nor the dealers make any representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH PARTICIPANTS, INDIRECT PARTICIPANTS, OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR SUCH PARTICIPANTS, INDIRECT DTC PARTICIPANTS, OR THE BENEFICIAL OWNERS. PAYMENTS MADE TO DTC OR ITS NOMINEE SHALL SATISFY THE AUTHORITY'S OBLIGATION UNDER THE ACT AND THE BOND RESOLUTION TO THE EXTENT OF SUCH PAYMENTS.

BOND COUNSEL OPINION

May __, 2018

Long Island Power Authority
333 Earle Ovington Blvd.
Uniondale, NY 11553

Ladies and Gentlemen:

We have examined a certified record of proceedings relating to the authorization of Electric System General Revenue Notes, Series 2015 GR-1 (the “Series 2015 GR-1 Notes”), Series 2015 GR-2 (the “Series 2015 GR-2 Notes”), Series 2015 GR-3 (the “Series 2015 GR-3 Notes”), Series 2015 GR-4 (the “Series 2015 GR-4 Notes”), Series 2015 GR-5 (the “Series 2015 GR-5 Notes”), and Series 2015 GR-6 (the “Series 2015 GR-6 Notes”) and, collectively with the Series 2015 GR-1 Notes, the Series 2015 GR-2 Notes, the Series 2015 GR-3 Notes, the Series 2015 GR-4 Notes and the Series 2015 GR-5 Notes, the “Series 2015 GR Notes”) of the Long Island Power Authority (the “Authority”), a corporate municipal instrumentality of the State of New York (the “State”) constituting a body corporate and politic and a political subdivision of the State, in an aggregate principal amount outstanding at any time not to exceed \$800,000,000.

The Series 2015 GR Notes are to be issued under and pursuant to the Constitution and statutes of the State, including the Long Island Power Authority Act, being Title 1 a of Article 5 of the Public Authorities Law, Chapter 43 A of the Consolidated Laws of the State of New York, as amended (herein called the “Act”), and under and pursuant to proceedings of the Authority duly taken, including a resolution adopted by the Trustees of the Authority on May 13, 1998, entitled “Electric System General Revenue Bond Resolution,” as amended by a resolution adopted by the Trustees on August 6, 2014, entitled “Twenty-Second Supplemental Electric System Bond Resolution Authorizing Electric System General Revenue Bonds,” and as supplemented by a resolution adopted by said Trustees on August 6, 2014, as amended and restated on July 26, 2017, entitled “Twenty-Third Supplemental Electric System General Revenue Bond Resolution Authorizing Electric System General Revenue Notes” (together, the “Resolution”) and Certificates of Determination dated as of the date hereof (the “Certificates of Determination”) relating to each series of Series 2015 GR Notes. Pursuant to the terms of the Resolution and the Certificates of Determination, the Authority intends to issue from time to time not in excess of \$800,000,000 aggregate principal amount of Series 2015 GR Notes outstanding at any time.

The Series 2015 GR-1 Notes are authorized to be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-1A (Federally Taxable)” (the “Series 2015 GR-1A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-1B (Tax-Exempt)” (the “Series 2015 GR-1B Tax-Exempt Notes”). The Series 2015 GR-2 Notes are authorized to be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-2A (Federally Taxable)” (the “Series 2015 GR-2A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-2B (Tax-Exempt)” (the “Series 2015 GR-2B Tax-Exempt Notes”). The Series 2015 GR-3 Notes are authorized to be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-3A (Federally Taxable)” (the “Series 2015 GR-3A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-3B (Tax-Exempt)” (the “Series 2015 GR-3B Tax-Exempt Notes”). The Series 2015 GR-4 Notes are authorized to be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-4A (Federally Taxable)” (the “Series 2015 GR-4A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-4B (Tax-Exempt)” (the “Series 2015 GR-4B Tax-Exempt Notes”). The Series 2015 GR-5 Notes are authorized to be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-5A (Federally Taxable)” (the “Series 2015 GR-5A Taxable Notes”) and

“Electric System General Revenue Notes, Series 2015 GR-5B (Tax-Exempt)” (the “Series 2015 GR-5B Tax-Exempt Notes”). The Series 2015 GR-6 Notes are authorized to be issued in two subseries designated as “Electric System General Revenue Notes, Series 2015 GR-6A (Federally Taxable)” (the “Series 2015 GR-6A Taxable Notes”) and “Electric System General Revenue Notes, Series 2015 GR-6B (Tax-Exempt)” (the “Series 2015 GR-6B Tax-Exempt Notes”). The Series 2015 GR-1A Taxable Notes, the Series 2015 GR-2A Taxable Notes, the Series 2015 GR-3A Taxable Notes, the Series 2015 GR-4A Taxable Notes, the Series 2015 GR-5A Taxable Notes and the Series 2015 GR-6A Taxable Notes are collectively referred to herein as the “Series 2015 GR Taxable Notes.” The Series 2015 GR-1B Tax-Exempt Notes, the Series 2015 GR-2B Tax-Exempt Notes, the Series 2015 GR-3B Tax-Exempt Notes, the Series 2015 GR-4B Tax-Exempt Notes, the Series 2015 GR-5B Tax-Exempt Notes and the Series 2015 GR-6B Tax-Exempt Notes are collectively referred to herein as the “Series 2015 GR Tax-Exempt Notes.”

The Series 2015 GR Notes will be dated, mature, be payable and bear interest, all as provided in the Resolution and the Certificates of Determination.

Terms used herein and not defined herein shall, for all purposes hereof, have the respective meanings given to them in the Resolution and the Certificates of Determination.

Based upon the foregoing, we are of the opinion that:

1. The Authority is duly created and validly existing under the laws of the State, including the Constitution of the State and the Act. Under the laws of the State, including the Constitution of the State, and under the Constitution of the United States, the Act is valid with respect to all provisions thereof material to the subject matters of this opinion letter.

2. The Authority has the right and power under the Act to adopt the Resolution and to perform its obligations thereunder, including its rate covenant relating to the establishment and maintenance of System fees, rates, rents, charges and surcharges; provided, however, that the Act directs the Authority to seek the review and recommendation of the New York State Public Service Commission as to certain rate proposals prior to implementation unless the Authority determines, after complying with certain procedural requirements and subject to any applicable judicial review proceeding, that any particular recommendation is inconsistent with the Authority’s sound fiscal operating practices, any existing contractual or operating obligations or the provision of safe and adequate service. Notwithstanding the direction to seek such review and recommendation, the Act permits the Authority to place rates and charges into effect on an interim basis subject to possible prospective rate adjustment.

3. The Resolution has been duly and lawfully adopted by the Authority, is in full force and effect, is valid and binding upon the Authority, and is enforceable in accordance with its terms. The Resolution creates the valid pledge which it purports to create of the Trust Estate (as defined and to the extent provided in the Resolution), subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

4. Upon due issuance of Series 2015 GR Notes as provided in the Resolution, the Certificates of Determination and the Amended and Restated Issuing and Paying Agency Agreement, and receipt by or on behalf of the Authority of payment therefor, the Series 2015 GR Notes will be duly and validly authorized and issued in accordance with the laws of the State, including the Constitution of the State and the Act, and in accordance with the Resolution and the Certificates of Determination, and will be valid and binding special obligations of the Authority, enforceable in accordance with their terms and the terms of the Resolution and the Certificate of Determination, payable solely from the Trust Estate as and to the extent provided in the Resolution and the Certificates of Determination. The Authority has no taxing power, the Series 2015 GR Notes are not debts of the State or of any municipality thereof, and the Series 2015 GR Notes will not constitute a pledge of the credit, revenues or taxing power of the State or of any municipality thereof. The Authority reserves the right to issue additional bonds on the terms and conditions, and for the purposes, provided in the Resolution, on a parity of security and payment with the Series 2015 GR Notes.

5. Any registration with, consent of, or approval by, any governmental agency, board, or commission that is necessary for the execution and delivery and the issuance of the Series 2015 GR Notes has been obtained.

6. The adoption of the Resolution, compliance with all of the terms and conditions of the Resolution and the Series 2015 GR Notes, and the execution and delivery of the Series 2015 GR Notes, will not result in a violation of or be in conflict with any term or provision of any existing law, or of any approval by any governmental agency, board or commission necessary for the adoption of, or performance of the Authority's obligations under, the Resolution.

7. The Financing Agreement, dated as of May 1, 1998, between the Authority and Long Island Lighting Company d/b/a LIPA (as successor by merger to LIPA Acquisition Corp.) (the "Subsidiary") has been duly authorized, executed and delivered by the Authority and the Subsidiary and is a valid and binding obligation of the parties thereto, enforceable in accordance with its terms.

8. Interest on the Series 2015 GR Taxable Notes is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

9. Under existing statutes, interest on the Series 2015 GR Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, and the Series 2015 GR Notes are exempt from all taxation directly imposed thereon by or under the authority of the State, except estate or gift taxes and taxes on transfers.

The opinions expressed in paragraphs 2, 3, 4 and 7 above are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights, and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforcement is considered in a proceeding in equity or at law.

Except as stated in paragraphs 8 and 9, we express no opinion regarding any other federal or state tax consequences with respect to the Series 2015 GR Notes. This opinion is issued under existing statutes and court decisions as of the date hereof and we assume no obligation to update this opinion after the date hereof to reflect any future action, fact or circumstance or change in law or interpretation, or otherwise.

You may continue to rely upon this opinion to the extent (i) we have not advised you that this opinion may no longer be relied upon, (ii) there is no change in pertinent existing law or regulations or in interpretations thereof subsequent to the date of issuance of this opinion, (iii) the representations, warranties, covenants and agreements contained in the Resolution, and in certificates executed and delivered by authorized officers of the Authority and the Subsidiary (and supplements and additions thereto satisfactory to us), remain true and accurate and are complied with and (iv) no litigation is pending affecting the issuance, legality or validity of any Series 2015 GR Notes.

This opinion is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever. Without limiting the generality of the foregoing, we undertake no responsibility to either (i) notify you or any other person prior to the delivery of any Series 2015 GR Notes if the conditions stated in the preceding paragraph have not been met or (ii) to review any legal matters incident to the authorization, issuance and validity of the Series 2015 GR Notes after the date hereof.

In rendering the foregoing opinions, we have made a review of such legal proceedings as we have deemed necessary to approve the legality and validity of the Series 2015 GR Notes. In rendering the foregoing opinions we have not been requested to examine any document or financial or other information concerning the Authority or the programs to be financed with the Series 2015 GR Notes other than the record of proceedings referred to above, and we express no opinion as to the accuracy, adequacy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2015 GR Notes.

Very truly yours,

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE GR REIMBURSEMENT AGREEMENTS

The following summary does not purport to be complete or definitive and is qualified in its entirety by reference to the GR Reimbursement Agreements, which should be read in their entirety. Terms not defined in this Appendix D have the meanings assigned to them in the related GR Reimbursement Agreement. In the event of any conflict between a definition set forth herein and the corresponding definition set forth in the related GR Reimbursement Agreement, the definition set forth in the related GR Reimbursement Agreement shall control for purposes of this Appendix D.

Pursuant to each GR Reimbursement Agreement, the occurrence of any of the following events, among others, shall constitute an Event of Default thereunder. Reference is made to each GR Reimbursement Agreement for a complete listing of all Events of Default:

The TD Bank GR Reimbursement Agreement (the “TD Bank RA”)

TD Bank RA Events of Default.

(i) The Authority shall fail to pay to TD Bank when due (whether upon demand or otherwise) any of the Payment Obligations (as defined in the TD Bank RA) or shall fail to remit or deposit funds as and when required by the TD Bank RA, by the Resolution (as defined in the TD Bank RA) or by the 2015 GR-1 Notes (as defined in the TD Bank RA); or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents (as defined in the TD Bank RA) on its part to be observed or performed (other than a failure referred to in clause (i) under this subheading “*TD Bank RA Events of Default*”), and (A) in the case of any of the certain specified covenants set forth in the TD Bank RA, such failure shall not have been cured prior to the earlier to occur of (1) written notice of such failure delivered to the Authority by TD Bank and (2) the Authority’s actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such failure shall not have been cured within thirty (30) days after the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by TD Bank, and (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary, (B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority’s or the LIPA Subsidiary’s assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents (as defined in the TD Bank RA), Authority Documents or Subsidiary Documents (as defined in the TD Bank RA), or in the TD Bank RA, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to the TD Bank RA, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in application of GAAP (as defined in the TD Bank RA), such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of the TD Bank RA, the Authority Documents, or any other Document (other than the 2015 GR-1 Letter of Credit (as defined in the TD Bank RA)) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party) shall deny that it has any or further liability or obligation under the TD Bank RA, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds, individually or in the aggregate, \$25,000,000, and such failure results in an acceleration of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-1 Notes or any other Debt (as defined in the TD Bank RA) payable from Revenues (as defined in the TD Bank RA) when due or any Parity Contract Obligations (as defined in the TD Bank RA) or any Financial Contract (as defined in the TD Bank RA) that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations (as defined in the TD Bank RA) or any other event or condition shall occur which would permit the acceleration of the maturity of any such 2015 GR-1 Notes or other Debt payable from Revenues, any Parity Contract Obligations or Financial Contract; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group (as defined in the TD Bank RA), shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC (as defined in the TD Bank RA) or to a Plan (as defined in the TD Bank RA) under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities (as defined in the TD Bank RA) in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement (as defined in the TD Bank RA) or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority secured by or payable

from the Trust Estate (as defined in the TD Bank RA) that is senior to or on a parity with the 2015 GR-1 Notes or (b) any Governmental Authority (as defined in the TD Bank RA) having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-1 Notes or any other indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate; or

(xv) The long term unenhanced rating by any of the Rating Agencies (as defined in the TD Bank RA) then rating the Bonds (as defined in the TD Bank RA) or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below “Baa3” (or its equivalent) by Moody’s, “BBB-” (or its equivalent) by S&P, or “BBB-” (or its equivalent) by Fitch.

TD Bank RA Remedies. Upon the occurrence and continuance of an Event of Default described above, TD Bank may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date (as defined in the TD Bank RA) of the Bank Note (as defined in the TD Bank RA) and all Unreimbursed Amounts and Bank Loans (each as defined in the TD Bank RA), together with all interest thereon and such amounts thereafter bear interest at the Default Rate until paid in full; *provided, however*, that such acceleration shall occur immediately upon the occurrence of an Event of Default set forth in clause (iii) or (iv) under the subheading “*TD Bank RA Events of Default*” above;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-1 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-1 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-1 Notes and interest payable thereon on the Noticed Redemption Date for Redeemable GR-1 Notes (as defined in the TD Bank RA), by delivering to the Issuing and Paying Agent a Notice of No Issuance (as defined in the TD Bank RA) in the form of Annex F to the Letter of Credit;

(d) issue a Final Drawing Notice (as defined in the TD Bank RA) (the effect of which shall be to cause the Termination Date (as defined in the TD Bank RA) of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if TD Bank were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by TD Bank of the remedy contained in clauses (c) or (d) under this subheading “*TD Bank RA Remedies*,” the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

The State Street GR Reimbursement Agreement (the “State Street RA”)

State Street RA Events of Default.

(i) The Authority shall fail to pay to State Street when due (whether upon demand or otherwise) any of the Payment Obligations (as defined in the State Street RA) or shall fail to remit or deposit funds as and when required by the State Street RA, by the General Resolution (as defined in the State Street RA) or by the 2015 GR-2 Notes (as defined in the State Street RA); or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents (as defined in the State Street RA) on its part to be observed or performed (other than a failure referred to in clause (i) under this subheading “*State Street RA Events of Default*”), and (A) in the case of any of the certain specified covenants set forth in the State Street RA, such failure shall not have been cured prior to the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by State Street or (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such

failure shall not have been cured within thirty (30) days after the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by State Street, and (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to, or the subject of, a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or restriction or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary, (B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority's or the LIPA Subsidiary's assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents (as defined in the State Street RA), Authority Documents or Subsidiary Documents (as defined in the State Street RA), or in the State Street RA, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to the State Street RA, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in application of GAAP (as defined in the State Street RA), such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of the State Street RA, the Authority Documents, or any other Document (other than the 2015 GR-2 Letter of Credit (as defined in the State Street RA)) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party) shall deny that it has any or further liability or obligation under the State Street RA, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds, individually or in the aggregate, \$25,000,000, and such failure results in an acceleration, or a mandatory tender, of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-2 Notes or any other Debt (as defined in the State Street RA) payable from Revenues (as defined in the State Street RA) when due or any Parity Contract Obligations (as defined in the State Street RA) or any Financial Contract (as defined in the State Street RA) that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations (as defined in the State Street RA) or any other event or condition shall occur which would permit any holder, credit provider or other entity to cause the principal of any such Bonds or Parity Contract Obligations or other Debt payable from Revenues, any Parity Contract Obligations or any Financial Contract, to become due prior to its stated maturity or scheduled payment date, whether pursuant to acceleration, mandatory tender, mandatory redemption or otherwise; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group (as defined in the State Street RA), shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC (as defined in the State Street RA) or to a Plan (as defined in the State Street RA) under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities (as defined in the State Street RA) in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement (as defined in the State Street RA) or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority or any of its Subsidiaries shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority or any of its Subsidiaries secured by or payable from the Trust Estate (as defined in the State Street RA) that is senior to or on a parity with the 2015 GR-2 Notes or (b) any Governmental Authority (as defined in the State Street RA) having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-2 Notes or any other indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate or payable from Revenues; or

(xv) The long term unenhanced rating by any of the Rating Agencies (as defined in the State Street RA) then rating the Bonds (as defined in the State Street RA) or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below "Baa3" (or its equivalent) by Moody's, "BBB-" (or its equivalent) by S&P, or "BBB-" (or its equivalent) by Fitch.

State Street RA Remedies. Upon the occurrence and continuance of an Event of Default described above, State Street may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date (as defined in the State Street RA) of the Bank Note (as defined in the State Street RA) and all Unreimbursed Amounts and Bank Loans (each as defined in the State Street RA), together with all interest thereon and thereafter all such amounts shall become immediately due and payable and shall bear interest at the Default Rate until paid in full; *provided, however,* that such acceleration shall occur and all such amounts shall become immediately due and payable immediately upon the occurrence of an Event of Default set forth in clause (iii) or (iv) under the subheading "*State Street RA Events of Default*" above;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-2 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-2 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-2 Notes and interest payable thereon on the Noticed Redemption Date for Redeemable 2015 GR-2 Notes (as defined in the State Street RA), by delivering to the Issuing and Paying Agent a Notice of No Issuance (as defined in the State Street RA) in the form of Exhibit G to the State Street RA;

(d) issue a Final Drawing Notice (as defined in the State Street RA) (the effect of which shall be to cause the Termination Date (as defined in the State Street RA) of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if State Street were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by State Street of the remedy contained in clauses (c) or (d) under this subheading “*State Street RA Remedies*,” the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

The U.S. Bank GR Reimbursement Agreement (the “U.S. Bank RA”)

U.S. Bank RA Events of Default.

(i) The Authority shall fail to pay to U.S. Bank when due (whether upon demand or otherwise) any of the Payment Obligations (as defined in the U.S. Bank RA) or shall fail to remit or deposit funds as and when required by the U.S. Bank RA, by the General Resolution (as defined in the U.S. Bank RA) or by the 2015 GR-3 Notes (as defined in the U.S. Bank RA); or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents (as defined in the U.S. Bank RA) on its part to be observed or performed (other than a failure referred to in clause (i) under this subheading “*U.S. Bank RA Events of Default*”), and (A) in the case of any of the certain specified covenants set forth in the U.S. Bank RA, such failure shall not have been cured prior to the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by U.S. Bank, and (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such failure shall not have been cured within thirty (30) days after the earlier to occur of (i) the date of delivery of written notice of such failure to the Authority by the Bank, and (ii) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to, or the subject of, a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or restriction or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary, (B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority’s or the LIPA Subsidiary’s assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy,

insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents (as defined in the U.S. Bank RA), Authority Documents or Subsidiary Documents (as defined in the U.S. Bank RA), or in the U.S. Bank RA, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to the U.S. Bank RA, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in application of GAAP (as defined in the U.S. Bank RA), such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of the U.S. Bank RA, the Authority Documents, or any other Document (other than the 2015 GR-3 Letter of Credit (as defined in the U.S. Bank RA)) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party) shall deny that it has any or further liability or obligation under the U.S. Bank RA, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds, individually or in the aggregate, \$25,000,000, and such failure results in an acceleration, or a mandatory tender, of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-3 Notes or any other Debt (as defined in the U.S. Bank RA) payable from Revenues (as defined in the U.S. Bank RA) when due or any Parity Contract Obligations (as defined in the U.S. Bank RA) or any Financial Contract (as defined in the U.S. Bank RA) that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations (as defined in the U.S. Bank RA) or any other event or condition shall occur which would permit any holder, credit provider or other entity to cause the principal of any such Bonds or Parity Contract Obligations or other Debt payable from Revenues, any Parity Contract Obligations or any Financial Contract, to become due prior to its stated maturity or scheduled payment date, whether pursuant to acceleration, mandatory tender, mandatory redemption or otherwise; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group (as defined in the U.S. Bank RA), shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC (as defined in the U.S. Bank RA) or to a Plan (as defined in the U.S. Bank RA) under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities (as defined in the U.S. Bank RA) in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within

thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement (as defined in the U.S. Bank RA) or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority or any of its Subsidiaries shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority or any of its Subsidiaries secured by or payable from the Trust Estate (as defined in the U.S. Bank RA) that is senior to or on a parity with the 2015 GR-3 Notes or (b) any Governmental Authority (as defined in the U.S. Bank RA) having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-3 Notes or any other indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate or payable from Revenues; or

(xv) The long term unenhanced rating by any of the Rating Agencies (as defined in the U.S. Bank RA) then rating the Bonds (as defined in the U.S. Bank RA) or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below “Baa3” (or its equivalent) by Moody’s, “BBB-” (or its equivalent) by S&P, or “BBB-” (or its equivalent) by Fitch.

U.S. Bank RA Remedies. Upon the occurrence and continuance of an Event of Default described above, U.S. Bank may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date (as defined in the U.S. Bank RA) of the Bank Note (as defined in the U.S. Bank RA) and all Unreimbursed Amounts and Bank Loans (each as defined in the U.S. Bank RA), together with all interest thereon and thereafter all such amounts shall become immediately due and payable and shall bear interest at the Default Rate until paid in full; *provided, however*, that such acceleration shall occur and all such amounts shall become immediately due and payable immediately upon the occurrence of an Event of Default set forth in clause (iii) or (iv) under the subheading “*U.S. Bank RA Events of Default*” above;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-3 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-3 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-3 Notes and interest payable thereon on the Noticed Redemption Date for Redeemable GR-3 Notes (as defined in the U.S. Bank RA), by delivering to the Issuing and Paying Agent a Notice of No Issuance (as defined in the U.S. Bank RA) in the form of Exhibit G to the U.S. Bank RA;

(d) issue a Final Drawing Notice (as defined in the U.S. Bank RA) (the effect of which shall be to cause the Termination Date (as defined in the U.S. Bank RA) of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if U.S. Bank were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by U.S. Bank of the remedy contained in clauses (c) or (d) under this subheading “*U.S. Bank RA Remedies*,” the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

The Royal Bank GR Reimbursement Agreement (the “Royal Bank RA”)

Royal Bank RA Events of Default.

(i) The Authority shall fail to pay to Royal Bank when due (whether upon demand or otherwise) any of the Payment Obligations (as defined in the Royal Bank RA) or shall fail to remit or deposit funds as

and when required by the Royal Bank RA, by the General Resolution (as defined in the Royal Bank RA) or by the 2015 GR-4 Notes (as defined in the Royal Bank RA); or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents (as defined in the Royal Bank RA) on its part to be observed or performed (other than a failure referred to in clause (i) under this subheading “*Royal Bank RA Events of Default*”), and (A) in the case of any of the certain specified covenants set forth in the Royal Bank RA, such failure shall not have been cured prior to the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by Royal Bank or (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such failure shall not have been cured within thirty (30) days after the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by Royal Bank, and (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to, or the subject of, a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or restriction or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary, (B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority’s or the LIPA Subsidiary’s assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents (as defined in the Royal Bank RA), Authority Documents or Subsidiary Documents (as defined in the Royal Bank RA), or in the Royal Bank RA, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to the Royal Bank RA, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in application of GAAP (as defined in the Royal Bank RA), such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of the Royal Bank RA, the Authority Documents, or any other Document (other than the 2015 GR-4 Letter of Credit (as defined in the Royal Bank RA)) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those

Documents to which it is a party) shall deny that it has any or further liability or obligation under the Royal Bank RA, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds, individually or in the aggregate, \$25,000,000, and such failure results in an acceleration, or a mandatory tender, of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-4 Notes or any other Debt (as defined in the Royal Bank RA) payable from Revenues (as defined in the Royal Bank RA) when due or any Parity Contract Obligations (as defined in the Royal Bank RA) or any Financial Contract (as defined in the Royal Bank RA) that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations (as defined in the Royal Bank RA) or any other event or condition shall occur which would permit any holder, credit provider or other entity to cause the principal of any such Bonds or Parity Contract Obligations or other Debt payable from Revenues, any Parity Contract Obligations or any Financial Contract, to become due prior to its stated maturity or scheduled payment date, whether pursuant to acceleration, mandatory tender, mandatory redemption or otherwise; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group (as defined in the Royal Bank RA), shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC (as defined in the Royal Bank RA) or to a Plan (as defined in the Royal Bank RA) under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities (as defined in the Royal Bank RA) in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement (as defined in the Royal Bank RA) or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority or any of its Subsidiaries shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority or any of its Subsidiaries secured by or payable from the Trust Estate (as defined in the Royal Bank RA) that is senior to or on a parity with the 2015 GR-4 Notes or (b) any Governmental Authority (as defined in the Royal Bank RA) having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-4 Notes or any other indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate or payable from Revenues; or

(xv) The long term unenhanced rating by any of the Rating Agencies (as defined in the Royal Bank RA) then rating the Bonds (as defined in the Royal Bank RA) or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below "Baa3" (or its equivalent) by Moody's, "BBB-" (or its equivalent) by S&P, or "BBB-" (or its equivalent) by Fitch.

Royal Bank RA Remedies. Upon the occurrence and continuance of an Event of Default described above, Royal Bank may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date (as defined in the Royal Bank RA) of the Bank Note (as defined in the Royal Bank RA) and all Unreimbursed Amounts and Bank Loans (each as defined in the Royal Bank RA), together with all interest thereon and thereafter all such amounts shall become immediately due and payable and shall bear interest at the Default Rate until paid in full; *provided, however*, that such acceleration shall occur and all such amounts shall become immediately due and payable immediately upon the occurrence of an Event of Default set forth in clause (iii) or (iv) under the subheading “*Royal Bank RA Events of Default*” above;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-4 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-4 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-4 Notes and interest payable thereon on the Noticed Redemption Date for Redeemable 2015 GR-4 Notes (as defined in the Royal Bank RA), by delivering to the Issuing and Paying Agent a Notice of No Issuance (as defined in the Royal Bank RA) in the form of Exhibit G to the Royal Bank RA;

(d) issue a Final Drawing Notice (as defined in the Royal Bank RA) (the effect of which shall be to cause the Termination Date (as defined in the Royal Bank RA) of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if Royal Bank were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by Royal Bank of the remedy contained in clauses (c) or (d) under this subheading “*Royal Bank RA Remedies*,” the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

The Citibank GR Reimbursement Agreement (the “Citibank RA”)

Citibank RA Events of Default.

(i) The Authority shall fail to pay to Citibank when due (whether upon demand or otherwise) any of the Payment Obligations (as defined in the Citibank RA) or shall fail to remit or deposit funds as and when required by the Citibank RA, by the General Resolution (as defined in the Citibank RA) or by the 2015 GR-5 Notes (as defined in the Citibank RA); or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents (as defined in the Citibank RA) on its part to be observed or performed (other than a failure referred to in clause (i) under this subheading “*Citibank RA Events of Default*”), and (A) in the case of any of the certain specified covenants set forth in the Citibank RA, such failure shall not have been cured prior to the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by Citibank or (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such failure shall not have been cured within thirty (30) days after the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by Citibank, and (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or

appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to, or the subject of, a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or restriction or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary, (B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority's or the LIPA Subsidiary's assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents (as defined in the Citibank RA), Authority Documents or Subsidiary Documents (as defined in the Citibank RA), or in the Citibank RA, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to the Citibank RA, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in application of GAAP (as defined in the Citibank RA), such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of the Citibank RA, the Authority Documents, or any other Document (other than the 2015 GR-5 Letter of Credit (as defined in the Citibank RA)) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party) shall deny that it has any or further liability or obligation under the Citibank RA, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds, individually or in the aggregate, \$25,000,000, and such failure results in an acceleration, or a mandatory tender, of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-5 Notes or any other Debt (as defined in the Citibank RA) payable from Revenues (as defined in the Citibank RA) when due or any Parity Contract Obligations (as defined in the Citibank RA) or any Financial Contract (as defined in the Citibank RA) that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations (as defined in the Citibank RA) or any other event or condition shall occur which would permit any holder, credit provider or other entity to cause the principal of any such Bonds or Parity Contract Obligations or other Debt payable from Revenues, any Parity Contract Obligations or any Financial Contract, to become due prior to its stated maturity or scheduled payment date, whether pursuant to acceleration, mandatory tender, mandatory redemption or otherwise; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group (as defined in the Citibank RA), shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC (as defined in the Citibank RA) or to a Plan (as defined in the Citibank RA) under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities (as defined in the Citibank RA) in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement (as defined in the Citibank RA) or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority or any of its Subsidiaries shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority or any of its Subsidiaries secured by or payable from the Trust Estate (as defined in the Citibank RA) that is senior to or on a parity with the 2015 GR-5 Notes or (b) any Governmental Authority (as defined in the Citibank RA) having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-5 Notes or any other indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate or payable from Revenues; or

(xv) The long term unenhanced rating by any of the Rating Agencies (as defined in the Citibank RA) then rating the Bonds (as defined in the Citibank RA) or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below "Baa3" (or its equivalent) by Moody's, "BBB-" (or its equivalent) by S&P, or "BBB-" (or its equivalent) by Fitch.

Citibank RA Remedies. Upon the occurrence and continuance of an Event of Default described above, Citibank may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date (as defined in the Citibank RA) of the Bank Note (as defined in the Citibank RA) and all Unreimbursed Amounts and Bank Loans (each as defined in the Citibank RA), together with all interest thereon and thereafter all such amounts shall become immediately due and payable and shall bear interest at the Default Rate until paid in full; *provided, however,* that such acceleration shall occur and all such amounts shall become immediately due and payable immediately upon the occurrence of an Event of Default set forth in clause (iii) or (iv) under the subheading "*Citibank RA Events of Default*" above;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-5 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-5 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-5 Notes and interest payable thereon on the Noticed Redemption Date for Redeemable 2015 GR-5 Notes (as defined in the Citibank RA), by delivering to the Issuing and Paying Agent a Notice of No Issuance (as defined in the Citibank RA) in the form of Exhibit G to the Citibank RA and/or a Restricted Issuance Notice in the form of Schedule I to the Letter of Credit;

(d) issue a Final Drawing Notice (as defined in the Citibank RA) (the effect of which shall be to cause the Termination Date (as defined in the Citibank RA) of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if Citibank were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by Citibank of the remedy contained in clauses (c) or (d) under this subheading “*Citibank RA Remedies*,” the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

The Barclays GR Reimbursement Agreement (the “Barclays RA”)

Barclays RA Events of Default.

(i) The Authority shall fail to pay to Barclays when due (whether upon demand or otherwise) any of the Payment Obligations (as defined in the Barclays RA) or shall fail to remit or deposit funds as and when required by the Barclays RA, by the General Resolution (as defined in the Barclays RA) or by the 2015 GR-6 Notes (as defined in the Barclays RA); or

(ii) The Authority shall fail to observe any warranty made by it hereunder or to perform any covenant, condition or agreement hereunder or in any of the other Authority Documents (as defined in the Barclays RA) on its part to be observed or performed (other than a failure referred to in clause (i) under this subheading “*Barclays RA Events of Default*”), and (A) in the case of certain covenants set forth in the Barclays RA, such failure shall not have been cured prior to the earlier to occur of (1) the date of delivery of written notice of such failure to the Authority by Barclays and (2) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure, and (B) in the case of all other covenants such failure shall not have been cured within thirty (30) days after the earlier to occur of (i) the date of delivery of written notice of such failure to the Authority by Barclays, and (ii) the date on which the Authority has actual knowledge of the circumstances constituting such failure and actual knowledge that such circumstances constitute such failure; or

(iii) The Authority or the LIPA Subsidiary shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Authority or the LIPA Subsidiary or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (F) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Authority or the LIPA Subsidiary in any involuntary case under said Federal Bankruptcy Code, (G) be a party to, or the subject of, a moratorium or repudiation with respect to any of its debt, debt restructuring, debt adjustment, or other comparable extraordinary event or restriction or (H) take any action for the purpose of effecting any of the foregoing; or

(iv) A proceeding or case shall be commenced, without the application or consent of the Authority or the LIPA Subsidiary, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of the Authority or the LIPA Subsidiary, (B) the appointment of a trustee, receiver, custodian, liquidator or the like, of the Authority or the LIPA Subsidiary, or of all or any substantial part of the Authority’s or the LIPA Subsidiary’s assets, or (C) similar relief in respect of the Authority or the LIPA Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition, moratorium, repudiation or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case, or an order for relief against the Authority or the LIPA Subsidiary shall be entered in an involuntary case under said Federal Bankruptcy Code; or

(v) Any representation or warranty made by the Authority or the LIPA Subsidiary in any of the Bank Documents (as defined in the Barclays RA), Authority Documents or Subsidiary Documents (as defined in the Barclays RA), or in the Barclays RA, or in any certificate, financial report or other statement furnished by the Authority or the LIPA Subsidiary pursuant to the Barclays RA, any other Bank Document, any Subsidiary Documents or any Authority Documents, shall prove to be untrue or incomplete in any material respect when made; or

(vi) The independent certified public accountants retained by the Authority shall fail or refuse to deliver an opinion, unqualified in scope (other than an opinion qualified as a result of a change in

application of GAAP (as defined in the Barclays RA), such change being one with which such accountants concur) with respect to the financial statements of the Authority; or

(vii) (a) Any material provision of the Barclays RA, the Authority Documents, or any other Document (other than the Letter of Credit (as defined in the Barclays RA)) (i) shall at any time for any reason cease to be valid and binding on the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (ii) shall be declared to be null and void, or (b) the validity or enforceability thereof shall be contested by the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party), or (c) the Authority or the LIPA Subsidiary (with respect to those Documents to which it is a party) shall deny that it has any or further liability or obligation under the Barclays RA, any of the Authority Documents or any of the other Bank Documents; or

(viii) One or more final, non-appealable judgments against the Authority or the LIPA Subsidiary for the payment of money not covered by insurance, the operation and result of which, individually or in the aggregate, equal or exceed \$25,000,000 shall remain unpaid, unstayed, undischarged, unbonded or undismissed for a period of ninety (90) days; or

(ix) The Authority or the LIPA Subsidiary fails to pay any debt or obligation owing under a financial instrument or contract and the outstanding principal or obligations under such financial instrument or contract exceeds, individually or in the aggregate, \$25,000,000, and such failure results in an acceleration, or a mandatory tender, of the obligations thereunder; or

(x) The occurrence of an event of default or an event which, with the passage of time or the giving of notice, or both, would be an event of default under any other Bank Document, Subsidiary Document or Authority Document, if the result is to permit an acceleration of the obligations thereunder; or

(xi) The Authority fails to make any payment with respect to any 2015 GR-6 Notes or any other Debt (as defined in the Barclays RA) payable from Revenues (as defined in the Barclays RA) when due or any Parity Contract Obligations (as defined in the Barclays RA) or any Financial Contract (as defined in the Barclays RA) that is secured or payable on a basis senior to or on a parity or subordinate to Payment Obligations (as defined in the Barclays RA), or any other event or condition shall occur which would permit any holder, credit provider or other entity to cause the principal of any such Bonds or Parity Contract Obligations or other Debt payable from Revenues, any Parity Contract Obligations or any Financial Contract, to become due prior to its stated maturity or scheduled payment date, whether pursuant to acceleration, mandatory tender, mandatory redemption or otherwise; or

(xii) The Authority or the LIPA Subsidiary, or any member of its Controlled Group (as defined in the Barclays RA), shall fail to pay when due an amount or amounts aggregating in excess of \$25,000,000 which it shall have become liable to pay to the PBGC (as defined in the Barclays RA) or to a Plan (as defined in the Barclays RA) under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities (as defined in the Barclays RA) in excess of \$25,000,000 (collectively, a "Material Plan") shall be filed under Title IV of ERISA by the Authority or the LIPA Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Authority or the LIPA Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated; or

(xiii) The LIPA Subsidiary shall fail to make any payment under the Financing Agreement (as defined in the Barclays RA) or on the Note delivered thereunder as and when due; or

(xiv) (a) The Authority or any of its Subsidiaries shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any indebtedness or any obligation under any Financial Contract of the Authority or any of its Subsidiaries secured by or payable from the Trust Estate (as defined in the Barclays RA) that is senior to or on a parity with the 2015 GR-6 Notes or (b) any Governmental Authority (as defined in the Barclays RA) having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the 2015 GR-6 Notes or any other

indebtedness or any obligation under any Financial Contract of the Authority secured by the Trust Estate or payable from Revenues; or

(xv) The long term unenhanced rating by any of the Rating Agencies (as defined in the Barclays RA) then rating the Bonds (as defined in the Barclays RA) or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from the Trust Estate shall be withdrawn or suspended for credit related reasons or is reduced below “Baa3” (or its equivalent) by Moody’s, “BBB-” (or its equivalent) by S&P, or “BBB-” (or its equivalent) by Fitch.

Barclays RA Remedies. Upon the occurrence and continuance of an Event of Default described above, Barclays may, in its sole discretion, but shall not be obligated to:

(a) accelerate the Maturity Date (as defined in the Barclays RA) of the Bank Note (as defined in the Barclays RA) and all Unreimbursed Amounts and Bank Loans (each as defined in the Barclays RA), together with all interest thereon and thereafter all such amounts shall become immediately due and payable and shall bear interest at the Default Rate until paid in full; *provided, however*, that such acceleration shall occur and all such amounts shall become immediately due and payable immediately upon the occurrence of an Event of Default set forth in clause (iii) or (iv) under the subheading “*Barclays RA Events of Default*” above;

(b) declare that the Bank Note and all Unreimbursed Amounts and Bank Loans, whether or not accelerated, shall thereafter bear interest at the Default Rate until paid in full;

(c) terminate or suspend the authority of the Authority and the Issuing and Paying Agent to issue any further 2015 GR-6 Notes and reduce the Stated Amount of the Letter of Credit to an amount equal to the principal amount of 2015 GR-6 Notes then Outstanding supported by the Letter of Credit, plus interest payable thereon at maturity of the 2015 GR-6 Notes and interest payable thereon on the Noticed Redemption Date for Redeemable 2015 GR-6 Notes (as defined in the Barclays RA), by delivering to the Issuing and Paying Agent a Notice of No Issuance (as defined in the Barclays RA) in the form of Exhibit G to the Letter of Credit;

(d) issue a Final Drawing Notice (as defined in the Barclays RA) (the effect of which shall be to cause the Termination Date (as defined in the Barclays RA) of the Letter of Credit to occur on the 15th day after the date of receipt thereof by the Issuing and Paying Agent);

(e) enforce the rights and obligations of the Authority under the Authority Documents as if Barclays were a party thereto; or

(f) exercise any other remedies available at law or in equity.

Upon the occurrence of an Event of Default and exercise by Barclays of the remedy contained in clauses (c) or (d) under this subheading “*Barclays RA Remedies*,” the Stated Amount of the Letter of Credit shall be immediately and permanently reduced by an amount equal to the amount of each subsequent Drawing.

Glossary of Defined Terms

The following terms, as used in this Appendix D, have the respective meanings provided below:

“Authority Documents” means the Authority Documents defined in the applicable GR Reimbursement Agreement, including, but not limited to the Resolution, the Issuing and Paying Agency Agreement, the Dealer Agreement, the related Series of 2015 GR Notes, the related Bank Note, the related GR Reimbursement Agreement, each of the applicable Bank Documents to the extent the Authority is a party thereto, the Financing Agreement, and any other Document to which the Authority is a party relating to the transactions contemplated by any of the foregoing documents.

“Bank” or “Banks” means, as applicable, TD Bank, N.A., State Street Bank and Trust Company, U.S. Bank National Association, Royal Bank of Canada, Citibank, N.A. and Barclays Bank PLC, and any successor thereto.

“Bank Documents” means (a) the applicable GR Reimbursement Agreement, (b) the related GR Letter of Credit, and (c) all certificates, opinions, financing statements and other documents or instruments made or delivered in accordance with any of those agreements, each as amended from time to time in accordance with their respective terms and with the applicable GR Reimbursement Agreement.

“Default Rate” means the interest rate specified as such in the related GR Reimbursement Agreement.

“Documents” means the related Bank Documents and the Authority Documents.

“Drawing” means a drawing under the related GR Letter of Credit in accordance with its terms to pay the principal of and interest on the related 2015 GR Notes.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Governmental Requirements” means any law, ordinance, order, rule or regulation by a Governmental Body.

“GR Letter of Credit” or “GR Letters of Credit” means, as applicable, the Series 2015 GR-1 Letter of Credit, Series 2015 GR-2 Letter of Credit, Series 2015 GR-3 Letter of Credit, Series 2015 GR-4 Letter of Credit, Series 2015 GR-5 Letter of Credit and Series 2015 GR-6 Letter of Credit issued by the Banks pursuant to the related GR Reimbursement Agreement (including any amended GR Letter of Credit or any substitute GR Letter of Credit issued by the Banks pursuant to the related GR Reimbursement Agreement, but not including any Alternate Credit Facility).

“GR Notes” means, collectively, the 2015 GR-1 Notes in the aggregate principal amount of up to \$200,000,000, the 2015 GR-2 Notes in the aggregate principal amount of up to \$100,000,000, the 2015 GR-3 Notes in the aggregate principal amount of up to \$100,000,000, the 2015 GR-4 Notes in the aggregate principal amount of up to \$200,000,000, the 2015 GR-5 Notes in the aggregate principal amount of up to \$100,000,000, and the 2015 GR-6 Notes in the aggregate principal amount of up to \$100,000,000.

“GR Reimbursement Agreement” and “GR Reimbursement Agreements” mean, as applicable, the Reimbursement Agreement between the Authority and TD Bank, N.A., dated as of May 1, 2015 (the “TD Bank RA”), the Reimbursement Agreement between the Authority and State Street Bank and Trust Company, dated as of January 1, 2018 (the “State Street Bank RA”), the Reimbursement Agreement between the Authority and U.S. Bank National Association, dated as of October 1, 2016 (the “U.S. Bank RA”), the Reimbursement Agreement between the Authority and Royal Bank of Canada, dated as of January 1, 2018 (the “Royal Bank RA”), the Reimbursement Agreement between the Authority and Citibank, N.A., dated as of January 1, 2018 (the “Citibank RA”), and the Reimbursement Agreement between the Authority and Barclays Bank PLC, dated as of January 1, 2018 (the “Barclays RA”) as such agreements may be amended and supplemented from time to time in accordance with their terms.

“LIPA Subsidiary” means the Long Island Lighting Company d/b/a LIPA, as successor to LIPA Acquisition Corp.

“Material Adverse Effect” means (a) any material adverse effect on the properties, assets, condition (financial or otherwise), results of operations or business prospects of the Authority and the LIPA Subsidiary taken as a whole, and (b) with respect to the obligations of the Authority or the LIPA Subsidiary under the Documents, a material adverse effect upon the Authority’s or the LIPA Subsidiary’s ability to perform its obligations under the related Reimbursement Agreement.

“Stated Amount” means the amount set forth in the related GR Letter of Credit as the “Stated Amount,” as such amount is reduced and reinstated from time to time in accordance with the terms hereof and the related GR Letter of Credit.

“Subsidiary” means, for any Person, any corporation, partnership, or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person. Unless otherwise provided in the related GR Reimbursement Agreement, all references to a “Subsidiary” or “Subsidiaries” shall mean a Subsidiary or Subsidiaries of the Authority.

“Subsidiary Documents” means the Financing Agreement and any document to which the LIPA Subsidiary is a party relating to the transaction contemplated by the related GR Reimbursement Agreement.

“Unreimbursed Amount” means, with respect to the related GR Letter of Credit, the amount of each Drawing on such GR Letter of Credit for which the related Bank has not been reimbursed by or on behalf of the Authority, including, without limitation, the outstanding balance of all Bank Loans owing to the related Bank.