

TOURISM AND SPORTS AUTHORITY

Resolution providing for the authorization, issuance and sale of up to \$250,000,000 Senior Revenue Bonds for the Multipurpose Facility Project

IT IS RESOLVED by the Board of Directors (the “*Board*”) of the Tourism and Sports Authority (the “*Authority*”) as follows:

SECTION 1. Findings and Determinations by the Board. The Board finds and determines as follows:

(a) The Authority is a political subdivision of the State of Arizona existing pursuant to Title 5, Chapter 8, Arizona Revised Statutes, as the same may be modified or amended (the “*Act*”), as a corporate and political body of the State of Arizona. The Act authorizes and requires the Authority to construct, finance, furnish, maintain, improve, operate, market and promote the use of a multipurpose facility suitable to be used to accommodate sporting events and entertainment, cultural, civic, meeting, trade show or convention events or activities, including, without limitation, a stadium, on-site infrastructure, parking garages and lots and related commercial uses within the facility in Maricopa County, Arizona (the “*Multipurpose Facility*”).

(b) The Act authorizes the Authority to issue bonds (“*Senior Bonds*”) to provide monies for the purposes of acquiring, designing, developing, constructing, reconstructing, equipping, repairing, maintaining, operating and improving a Multipurpose Facility and improvements; to pay bond obligations; and to pay bond related expenses (“*Multipurpose Facility Purposes*”). The Act also authorizes the Authority to issue bonds to provide monies to acquire land or construct, finance, furnish, improve, market or promote the use of existing or proposed major league baseball spring training facilities that are located in the Authority and other structures, utilities, roads, parking areas or buildings necessary for full use of the training facility for sports and other purposes and to do all things necessary or convenient to accomplish those purposes; to pay bond obligations; and to pay bond related expenses (“*Cactus League Purposes*”). The Act provides that the pledge of revenues and monies securing bonds issued for Cactus League Purposes (“*Subordinate Bonds*”) is subordinate to the pledge securing bonds or other debt obligations issued pursuant to the Act for Multipurpose Facility Purposes and, except for monies already in the Cactus League Promotion Account, to the distribution of monies pursuant to Arizona Revised Statutes Section 5-835, subsection B, paragraph 2.

(c) The Board has determined to authorize the issuance and sale of up to \$250,000,000 principal amount of Senior Bonds in one or more series pursuant to the Act for Multipurpose Facility Purposes.

(d) In connection with the authorization, issuance, and sale of the Senior Bonds, there have been prepared and submitted to the Board:

(1) A form of Trust Indenture (the “*Trust Indenture*”) providing for the issuance of Senior Bonds for Multipurpose Facility Purposes and for the issuance of Subordinate Bonds for Cactus League Purposes, and a form of Series Supplemental Indenture (the “*Senior Bond Supplemental Indenture*”) pursuant to which the Senior Bonds are to be issued and which, together with the Trust Indenture, shall constitute a contract among the Authority, the Trustee named in the Trust Indenture as executed and delivered (the “*Trustee*”), and the owners from time to time of the bonds issued pursuant to the Trust Indenture.

(2) A form of Preliminary Official Statement prepared for use in connection with the sale of the Authority’s subordinate bonds to be issued to assist in financing major league baseball spring training facilities to be located in, and to be owned and operated by, the City of Surprise, Arizona (the “*Subordinate Bonds*”) which form of Preliminary Official Statement, with appropriate modifications, will be the form of Preliminary Official Statement to be distributed in connection with the offering and sale of the Senior Bonds to be issued for Multipurpose Facility Purposes (the “*Preliminary Official Statement*”), and upon the incorporation of the final bond terms will constitute the form of final Official Statement (the “*Official Statement*”) to be used in connection with the sale of the Senior Bonds.

(3) A form of Bond Purchase Agreement prepared in connection with the proposed sale of the Subordinate Bonds which form of Bond Purchase Agreement, with appropriate modifications, will be the form of Bond Purchase Agreement for the Senior Bonds (the “*Bond Purchase Agreement*”), among the Authority, Banc One Capital Markets, Inc. and Dain Rauscher Incorporated, as underwriters (the “*Underwriters*”).

(4) A form of Continuing Disclosure Undertaking prepared in connection with the proposed sale of the Subordinate Bonds, which form of Continuing Disclosure Undertaking, with appropriate modifications, will be the form of Continuing Disclosure Undertaking of the Authority with respect to the Senior Bonds (the “*Continuing Disclosure Undertaking*”).

SECTION 2. Authorization to Approve, Sign and Deliver Documents and Take Actions.

The Chairman of the Board and the President and Chief Executive Officer of the Authority (each an “*Authorized Officer*”) are each authorized and directed to sign and deliver in the name and on behalf of the Authority, and to cause the Authority to perform its respective obligations under, the Trust Indenture, the Senior Bond Supplemental Indenture, the Bond Purchase Agreement, the Continuing Disclosure Undertaking and such other agreements, debt instruments and documents as are contemplated thereby and by this Resolution, with such changes therein and additions or deletions thereto as any Authorized Officer may approve or deem necessary, appropriate or advisable to carry out the purposes and intent of this Resolution, the signing and delivery thereof by such officer to be conclusive evidence of the approval of such changes and additions, and to perform all other acts that may be necessary in connection therewith. The Authorized Officers, and each of them acting alone, are authorized and directed, in the name and on behalf of the Authority, to take or cause to be taken any and all further actions and to sign and deliver, or cause to be signed and delivered, all such further agreements and such further documents,

certificates and undertakings, and to incur all such fees and expenses, as in their judgment shall be necessary, appropriate or advisable to carry into effect the purposes and intent of this Resolution and the transactions contemplated by this Resolution, and the taking of such action or the signing and delivering of any such agreement, debt instrument or document by such officer shall conclusively evidence the due authorization thereof by this Board.

SECTION 3. Authorization and Purpose of the Senior Bonds. It is hereby declared to be necessary to, and the Authority shall, issue, sell and deliver, as authorized and provided in this Resolution, Senior Bonds of the Authority in the maximum principal amount of \$250,000,000, to provide monies for Multipurpose Facility Purposes. The actual principal amount is to be the amount set forth in the Senior Bond Supplemental Indenture and the Bond Purchase Agreement as signed and delivered on behalf of the Authority, determined on the basis of the amount required for the purposes for which the Senior Bonds are issued and the amount of any original issue discount.

The Senior Bonds shall be designated "Senior Tax Revenue Bonds (Multipurpose Stadium Facility Project) Series 2001" or as otherwise provided in the Senior Bond Supplemental Indenture and the Bond Purchase Agreement for the Senior Bonds as signed and delivered on behalf of the Authority. If those documents otherwise designate all or any portion of the Senior Bonds, then each and every use of the term "Senior Bonds" in this Resolution shall be read as applying to the bonds as so designated. The Senior Bonds may be issued in one or more separate series, each bearing a distinctive designation, provided that the bonds of all series satisfy the requirements of this Resolution. Separate series of Senior Bonds may be issued at the same or different times to the Underwriters or with different senior representatives, in which case separate Senior Bond Supplemental Indentures, Bond Purchase Agreements and Continuing Disclosure Undertakings may be signed and delivered for each series, provided that all such documents for all series satisfy the requirements of this Resolution.

SECTION 4. Terms and Provisions Applicable to the Senior Bonds. The Senior Bonds shall be issued as Senior Bonds pursuant to the provisions of the Trust Indenture and shall be secured by and payable from the Senior Bond Trust Estate established pursuant to the provisions of the Trust Indenture. The revenue sources of the Authority comprising the Senior Bond Trust Estate are pledged and dedicated to secure the Senior Bonds issued pursuant to the Trust Indenture.

The Senior Bonds bearing interest at fixed interest rates shall bear interest at rates such that the yield on the Senior Bonds or any issue thereof for purposes of the federal income tax law arbitrage rules does not exceed six and one-half percent (6.5%) per annum. Interest on fixed rate Senior Bonds shall be payable on January 1 and July 1 of each year or such other dates as may be determined by the Authorized Officers and specified in the Senior Bond Supplemental Indenture and the Bond Purchase Agreement, commencing not earlier than January 1, 2002. The fixed rate Senior Bonds shall be issued in fully registered form in denominations not smaller than \$5,000 or multiples thereof.

If the Authorized Officers determine that the Authority's best interests will be served by causing all or a portion of the Senior Bonds to bear interest at variable interest rates, then the Authorized Officers are authorized to so specify in the applicable Senior Bond Supplemental

Indenture and applicable Bond Purchase Agreement. If the Authorized Officers so determine, then the method and procedure by which the rate or rates of interest to be borne by the variable rate Senior Bonds shall be determined as specified by the Authorized Officers, whether by auction, by reference to a market index, by a remarketing agent or otherwise; provided that the variable rate Senior Bonds shall not bear interest, including interest payable to a liquidity provider, at a rate in excess of sixteen percent (16%) per annum. Interest on variable rate Senior Bonds shall be payable no more frequently than monthly on such dates as may be determined by the Authorized Officers and specified in the applicable Senior Bond Supplemental Indenture and applicable Bond Purchase Agreement. Senior Bonds bearing interest at a variable interest rate established for a period of at least 180 days or longer shall be issued in denominations not smaller than \$5,000 or multiples thereof. Senior Bonds bearing interest at a variable interest rate established for a period of less than 180 days shall be issued in denominations not smaller than \$100,000 and multiples of \$5,000 in excess of \$100,000.

The Authorized Officers may determine that the terms of the variable rate Senior Bonds may or may not permit the owners to tender their variable rate Senior Bonds for purchase; provided that if owners are permitted to have the right of tender, tender rights shall be exercisable only at such times as a liquidity support is in place that provides for the payment of the purchase price payable to the tendering holder of a Senior Bond. If the Authorized Officers designate any Senior Bonds as variable rate bonds, and if the owners of those Senior Bonds are to be entitled to tender their Senior Bonds for purchase, then the Authorized Officers shall also designate in the applicable Senior Bond Supplemental Indenture for those variable rate Senior Bonds the provider or providers of the liquidity support, the tender agent or agents and the remarketing agent or agents, which designations shall be based on the determination of the Authorized Officers that the parties so designated possess the requisite resources and experience to provide the services required of them and that the terms on which the designated parties have agreed to provide such services are fair and commercially reasonable. The Authorized Officers are authorized to enter into agreements in connection with the delivery of Senior Bonds, and from time to time thereafter so long as the Senior Bonds are outstanding, with providers of credit and liquidity support instruments, tender agents (which may be the Trustee), remarketing agents and others as may be determined by the Authorized Officers to be necessary or appropriate to provide for the method of determining the variable interest rates, permitting holders the right of tender and providing for liquidity or credit support for the payment of the variable rate Senior Bonds upon tender for purchase or redemption.

The Senior Bonds shall be dated as of September 1, 2001, or such later date, and shall mature as to principal on such dates occurring not later than March 1, 2031, in such amounts, as may be determined by the Authorized Officers and specified in the applicable Senior Bond Supplemental Indenture and the applicable Bond Purchase Agreement.

The Senior Bonds shall be signed by an Authorized Officer, which may be by facsimile signature, and shall be manually authenticated by an authorized signatory of the Trustee.

Payments on the Senior Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The Senior Bonds shall be payable as to interest by the Trustee by check or draft

mailed not later than the interest payment date to the registered owners as shown on the registration books as of the applicable record date, and as to principal upon presentation and surrender at the designated corporate trust office of the Trustee; provided, however, that at the written request of any registered owner of \$1,000,000 or more in principal amount of Senior Bonds, delivered to the Trustee prior to a regular record date, interest and principal may be payable by wire transfer at the registered owner's expense to a bank account in the continental United States.

As determined by the Authorized Officers and specified in the applicable Senior Bond Supplemental Indenture and the applicable Bond Purchase Agreement, the Senior Bonds shall either not be subject to optional redemption prior to maturity, or be subject to optional redemption prior to maturity at the option of the Authority, at any time on or after the earliest optional redemption date specified in the applicable Senior Bond Supplemental Indenture and the applicable Bond Purchase Agreement, in whole or in part in any order of maturities or combination of maturities at the redemption price or prices (expressed as a percentage of the principal amount redeemed) specified in the applicable Senior Bond Supplemental Indenture and the applicable Bond Purchase Agreement, but not exceeding 103%, plus accrued interest to the date fixed for redemption. The Authorized Officers may determine whether any of the Senior Bonds shall be term bonds subject to mandatory sinking fund redemption, and the dollar amount and the years in which such term bonds shall be subject to mandatory sinking fund redemption at a price of 100% of the principal amount redeemed plus interest accrued to the redemption date, as specified in the applicable Senior Bond Supplemental Indenture and the applicable Bond Purchase Agreement.

The Senior Bonds shall have such other provisions as set forth in the forms of the Trust Indenture, the Senior Bond Supplemental Indenture and the Bond Purchase Agreement with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officer or officers of the Authority signing and delivering the Trust Indenture, the applicable Senior Bond Supplemental Indenture and the applicable Bond Purchase Agreement, their signing and delivery thereof to constitute conclusive evidence of their approval and of this Board's approval of such additions, deletions or modifications.

SECTION 5. Authorization of Sale of Senior Bonds. The negotiated sale of the Senior Bonds to the Underwriters is hereby authorized and approved in accordance with the provisions of the form of Bond Purchase Agreement with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officer or officers of the Authority signing and delivering the applicable Bond Purchase Agreement, their signing and delivery thereof to constitute conclusive evidence of their approval and of this Board's approval of such additions, deletions or modifications. If separate series of the Senior Bonds are sold at different times to the Underwriters or different senior representatives, a separate Bond Purchase Agreement may be signed and delivered for each series. The purchase price may not be less than 97% of the aggregate stated principal amount of the Senior Bonds of any series less any original issue discount, plus any interest accrued on current interest Senior Bonds from the date of the Senior Bonds to their delivery date. The original issue discount, if any, shall not exceed in the aggregate 10% with respect to the Senior Bonds of any series.

SECTION 6. Official Statement. The Authorized Officers are authorized and directed to prepare or authorize to be prepared, and to complete, a preliminary official statement and final official statement relating to the original issuance of each series of Senior Bonds in substantially the form of the Preliminary Official Statement with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officer or officers of the Authority, their signing and delivery of the final Official Statement to constitute conclusive evidence of their approval and of this Board's approval of such additions, deletions or modifications. If and to the extent applicable, an Authorized Officer shall certify or otherwise represent that the preliminary official statement, in original or revised form, is a "deemed final" official statement (except for permitted omissions) of the Authority as of a particular date and that a completed version is a "final" official statement for purposes of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the "*Disclosure Rule*"). The distribution and use of that preliminary official statement and final official statement by the Authority and the Underwriters is hereby authorized and approved.

The Authorized Officers and any other appropriate officers of the Authority are further authorized to use and distribute, or authorize the use and distribution of, the preliminary and final official statement and supplements thereto in connection with the original issuance of each series of the Senior Bonds as may in their judgment be necessary or appropriate, and to sign and deliver, on behalf of the Authority and in their official capacities, such certificates in connection with the accuracy of the preliminary and final official statements and any amendment thereto as may in their judgment be necessary or appropriate.

SECTION 7. Continuing Disclosure. If and to the extent required by the Disclosure Rule, the Authority, for the benefit of the beneficial owners of the Senior Bonds, shall make one or more continuing disclosure undertakings to assist the underwriters (within the meaning of the Disclosure Rule) in complying with their obligations under the Disclosure Rule in the forms of the Continuing Disclosure Undertaking with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officer or officers of the Authority signing and delivering the Continuing Disclosure Undertaking, their signing and delivery thereof to constitute conclusive evidence of their approval and of this Board's approval of such additions, deletions or modifications. The President and Chief Executive Officer shall have the responsibility for the compliance by the Authority with the continuing disclosure undertakings, and shall establish procedures in order to ensure that compliance. The Authority's obligation to perform its obligations under the continuing disclosure undertakings shall, as provided in them, be subject to the annual budgeting by the Board of moneys to meet costs required to be incurred to perform it.

SECTION 8. Appointment of Trustee. The Authorized Officers are authorized to appoint a bank or trust company to serve as Trustee and Paying Agent under the Trust Indenture and the Senior Bond Supplemental Indenture with respect to the Senior Bonds. The Trustee is authorized and requested to sign and deliver the documents calling for signing and delivery by the Trustee.

SECTION 9. Tax Matters. Any Authorized Officer is authorized to (a) make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of and in the

name of the Authority with respect to the Senior Bonds as the Authority is permitted to make or give under the federal income tax laws, including, without limitation, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Senior Bonds or interest on them or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by that officer; (b) take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the Authority, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Senior Bonds; and (c) give one or more appropriate certificates, for inclusion in the transcript of proceedings for the Senior Bonds, setting forth the reasonable expectations of the Authority regarding the amount and use of all the proceeds of the Senior Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Senior Bonds.

SECTION 10. Authorization for Credit and Liquidity Support Instruments. The Authorized Officers, in connection with the original issuance of each series of the Senior Bonds, and regardless of whether all or any portion of the Senior Bonds bear interest at variable or fixed rates, are authorized to contract for one or more credit support instruments, and to pay the costs of them from proceeds of the Senior Bonds or other monies of the Authority, if they determine that the credit support instrument or instruments will result in a savings in financing costs to the Authority. If the Authorized Officers determine that one or more credit or liquidity support instruments will result in savings in the cost of this financing to the Authority, any Authorized Officer is authorized to complete, sign and deliver, on behalf of the Authority, appropriate agreements with credit and liquidity support instrument providers (either in separate agreements or in the Trust Indenture or a supplement to the Trust Indenture), concerning matters customary to be covered by such agreements, including, without limitation, any of the following: (a) the terms of the credit or liquidity support instrument and the amounts to be paid for it, (b) procedures for payments pursuant to the credit or liquidity support instrument and reimbursement of amounts advanced, including subrogation of the provider to the rights of owners of bonds receiving payment from monies furnished by the provider, (c) voting rights, (d) remedies, (e) notices and providing of information, and (f) permitted investments of monies with respect to all or any series of the Senior Bonds. If one or more credit or liquidity support instruments are obtained with respect to any of the Senior Bonds, the provider of a credit or liquidity support instrument may be deemed to be the owner of the Senior Bonds supported for purposes of demands, requests, consents, waivers or other actions by owners of the Senior Bonds so long as the provider has not failed to comply with its obligations.

SECTION 11. Authorization for Interest Rate Hedges. The Authorized Officers are authorized, from time to time, to enter into one or more agreements on behalf of and in the name of the Authority, in anticipation of, or subsequent to, the issuance of the Senior Bonds, for an interest rate swap, an interest rate cap, or any other such arrangement expected to lower the effective interest rate on the Senior Bonds or to hedge the exposure of the Authority against fluctuations in prevailing

interest rates, and to secure its obligations to the counterparties in any such agreements by a pledge of the revenues and other monies of the Authority, subject to the provisions of the Trust Indenture and such conditions and restrictions as may be specified therein and in the applicable laws. The Authorized Officers are authorized, on behalf of and in the name of the Authority, to execute and deliver one or more agreements that they determine are expected to reduce the net debt service payable on the Senior Bonds or otherwise enhance the timing and amount of the payments thereof for the Authority's purposes to an extent that justifies the cost of the Authority's entering into such agreements.

SECTION 12. General Ratification and Approval. All actions of the officers, directors, and agents of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Senior Bonds as contemplated by this Resolution and the documents referred to in this Resolution, whether previously or hereafter taken, shall be and are hereby ratified, confirmed and approved. The proper officers, directors and agents of the Authority are hereby authorized and directed to do all such acts and things and to sign, acknowledge and deliver all such documents on behalf of the Authority as may be deemed necessary or desirable to carry out the terms and intent of this Resolution and of any of the documents referred to in this Resolution. Any Authorized Officer is authorized to sign and deliver from time to time on behalf of the Authority such documents, including documents amendatory and supplementary to the documents referred to in this Resolution, as may, in accordance with the terms of the documents, be signed and delivered without consent of the owners of the Senior Bonds.

Dated: September 28, 2001