New York City Housing Development Corporation

Housing Impact Bonds

Bond Resolution

Adopted _______________
Housing Impact Bonds
Bond Resolution

BE IT RESOLVED by the Members of the New York City Housing Development Corporation as follows:

ARTICLE I

SHORT TITLE, DEFINITIONS, INTERPRETATION

Section 1.1. Short Title. This resolution may hereafter be cited by the Corporation and is hereinafter sometimes referred to as the “Resolution”.

Section 1.2. Definitions. In this Resolution, unless the context otherwise requires, the following words and terms shall have the following meanings:

“Account” means one of the special accounts (other than the Rebate Fund) created and established pursuant to this Resolution or a Supplemental Resolution.

“Accreted Amount” means, as of any Interest Payment Date, with respect to Capital Appreciation Bonds and Deferred Income and Appreciation Bonds, such amounts as are set forth in the Supplemental Resolution authorizing such Capital Appreciation Bonds and Deferred Income and Appreciation Bonds. “Accreted Amount” means, as of any date other than an Interest Payment Date, the sum of (a) the Accreted Amount on the preceding Interest Payment Date and (b) the product of (x), a fraction, the numerator of which is the number of days having elapsed from the preceding Interest Payment Date and the denominator of which is the number of days from such preceding Interest Payment Date to the next succeeding Interest Payment Date and (y) the difference between the Accreted Amounts for such Interest Payment Dates.

“Act” means the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of the State of New York), as amended.

“Authorized Newspaper” means a newspaper or financial journal, printed in the English language and customarily published (except in the case of legal holidays) at least once a day for at least five days in each calendar week, which is of general circulation in the Borough of Manhattan, City and State of New York.

“Authorized Officer” means the Chairperson, Vice-Chairperson, President, First Executive Vice President or any Executive Vice President or Senior Vice President of the Corporation and, in the case of any act to be performed or duty to be discharged, any other member, officer or employee of the Corporation then authorized to perform such act or discharge such duty.

“Bond” means one of the bonds to be authenticated and delivered pursuant to this Resolution.
“Bond Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, selected by the Corporation and satisfactory to the Trustee.

“Bond owner” or “owner” or words of similar import, when used with reference to a Bond, means any person who shall be the registered owner of any Outstanding Bond.

“Bond Proceeds Account” means the Bond Proceeds Account established pursuant to this Resolution.

“Bond Year” means a twelve-month period ending on the first day of November of any year.

“Capital Appreciation Bonds” means any non-current interest paying Bonds as designated in the applicable Supplemental Resolution.

“Cash Equivalent” means a Letter of Credit, Insurance Policy, Surety, Guaranty or other Security Arrangement (each as defined and provided for in a Supplemental Resolution), provided by an entity which has received a rating of its claims paying ability from at least one nationally recognized rating agency at least equivalent to the then-existing rating on the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) or whose unsecured long-term debt securities have received a rating from at least one nationally recognized rating agency at least equivalent to the then existing rating on the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) (or equivalent to “A-1” or “P-1”, if the Cash Equivalent has a remaining term at the time of acquisition not exceeding one year); provided, however, that a Cash Equivalent may be provided by an entity which has received a rating of its claims paying ability which is lower than that set forth above or whose unsecured long-term (or short-term) debt securities are rated lower than that set forth above, so long as the providing of such Cash Equivalent does not, as of the date it is provided, in and of itself, result in the reduction or withdrawal of the then existing rating assigned to the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) by any of the Rating Agencies.

“Cash Flow Certificate” means a Cash Flow Certificate conforming to the requirements of Section 7.16 of this Resolution.

“Cash Flow Statement” means a Cash Flow Statement conforming to the requirements of Section 7.16 of this Resolution.

“Certificate” means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Resolution or (ii) the report of an accountant as to audit or other procedures called for by this Resolution.

“City” means The City of New York, a municipal corporation organized and existing under and pursuant to the laws of the State.

“Corporation” means the New York City Housing Development Corporation, or any body, agency or instrumentality of the State which shall hereafter succeed to the powers, duties and functions of the Corporation.

“Corporation Corporate Purposes” means any purpose for which the Corporation may issue bonds pursuant to the Act or other applicable law.

“Costs of Issuance” means all items of expense, directly or indirectly payable or reimbursable by or to the Corporation and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, and any other cost, charge or fee in connection with the original issuance of Bonds.

“Credit Facility” means any of the following if designated as a Credit Facility hereunder in a Supplemental Resolution: (i) a letter of credit (ii) cash, (iii) a certified or bank check, (iv) Investment Securities, (v) a policy of bond insurance or (vi) any other credit facility similar to the above in purpose and effect, including, but not limited to, a guaranty, standby loan or purchase commitment, insurance policy, surety bond or financial security bond or any combination thereof.

“Credit Facility Provider” means the issuer of or obligor under a Credit Facility.

“Debt Service” means, with respect to any particular Bond Year, an amount equal to the sum of (i) all interest payable on Outstanding Bonds during such Bond Year, plus (ii) any Principal Installments of such Bonds during such Bond Year.

“Debt Service Reserve Account” means the Debt Service Reserve Account established pursuant to this Resolution.

“Debt Service Reserve Account Requirement” means as of any date of calculation, the aggregate of the amounts specified as the Debt Service Reserve Account Requirement for each Series of Bonds in the Supplemental Resolution authorizing the issuance of a Series of Bonds; provided, however, that a Supplemental Resolution may provide that the Debt Service Reserve Account Requirement for the Series of Bonds authorized thereunder may be funded, in whole or in part, through Cash Equivalents and such method of funding shall be deemed to satisfy all provisions of this Resolution with respect to the Debt Service Reserve Account Requirement and the amounts required to be on deposit in the Debt Service Reserve Account.

“Deferred Income and Appreciation Bonds” means any non-current interest paying Bonds which, on a specified date, convert to current interest paying Bonds, as designated in the applicable Supplemental Resolution.

“Escrow Payments” means and includes all amounts whether paid directly to the Corporation or to the servicer of any Mortgage Loan representing payments to obtain or maintain mortgage insurance or any subsidy with respect to a Mortgage Loan or the mortgaged premises
or payments in connection with real estate taxes, assessments, water charges, sewer rents, ground rents, fire or other insurance, replacement or operating reserves or other like payments in connection therewith.

"Event of Default" means any of the events specified in Section 10.1.

"Government Obligations" means direct obligations of or obligations guaranteed by the United States of America, including, but not limited to, United States Treasury Obligations, Separate Trading of Registered Interest and Principal of Securities (STRIPS) and Coupons Under Book-Entry Safekeeping (CUBES), provided the underlying United States Treasury Obligation is not callable prior to maturity.

"Hedge Receipt" means the net amount required to be paid to the Corporation under a Qualified Hedge, but shall not include any Termination Receipt.

"Interest Payment Date" means any date upon which interest on the Bonds is due and payable in accordance with their terms.

"Investment Securities" means and includes any of the following obligations, to the extent the same are at the time legal for investment of funds of the Corporation under the Act, including the amendments thereto hereafter made, or under other applicable law:

1. Government Obligations;

2. any bond, debenture, note, participation certificate or other similar obligation issued by any one or combination of the following agencies: Government National Mortgage Association, Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Farm Credit System Banks Consolidated Obligations, Banks for Cooperatives, Tennessee Valley Authority, Washington Metropolitan Area Transportation Authority, United States Postal Service, Farmers’ Home Administration and Export-Import Bank of the United States;

3. any bond, debenture, note, participation certificate or other similar obligation issued by any Federal agency and backed by the full faith and credit of the United States of America;

4. any other obligation of the United States of America or any Federal agencies which may be purchased by New York State savings banks;

5. deposits in interest-bearig time or demand deposits, certificates of deposit or other similar banking arrangements (i) secured by any of the obligations described above, or (ii) fully insured by the Federal Deposit Insurance Corporation, or (iii) made with banking institutions, or their parents which either (a) have unsecured debt rated in one of the two highest rating categories of a nationally recognized rating service or (b) are deemed by a nationally recognized rating service to be an institution rated in one of the two highest rating categories of such rating service;
any participation certificate of the Federal Home Loan Mortgage Corporation and any mortgage-backed securities of the Federal National Mortgage Association, in each case rated in the highest rating category of a nationally recognized rating service;

short-term corporate obligations, known as Commercial Paper, with a maturity of up to ninety days which are issued by corporations that are deemed by a nationally recognized rating service to be in the highest short-term rating category of such rating service;

obligations of the City and State of New York;

obligations of the New York City Municipal Water Finance Authority;

obligations, the principal and interest of which, are guaranteed by the City or State of New York;

obligations in which the Comptroller of the State of New York is authorized to invest in as specified in section ninety-eight of the State Finance Law, as amended from time to time; and

any other investment permitted under the Corporation’s investment guidelines adopted August 14, 1984, as amended from time to time.

“Mortgage” means a mortgage or other instrument securing a Mortgage Loan.

“Mortgage Loan” means a loan, evidenced by a note, for a Project, secured by a Mortgage and specified in a Supplemental Resolution as being subject to the lien of this Resolution; provided, that Mortgage Loan shall also mean a participation by the Corporation with another party or parties, public or private, in a loan made to a Mortgagor with respect to a Project; provided, further, that Mortgage Loan shall also mean an instrument evidencing an ownership in such loans, including, but not limited to, a mortgage backed security guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

“Mortgage Note” means the note evidencing a Mortgage Loan.

“Mortgagor” means a mortgagor with respect to any Mortgage Loan.

“Outstanding”, when used with reference to Bonds, means, as of any date, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all Bonds theretofore or thereupon being authenticated and delivered under the Resolution except:

(1) any Bond cancelled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;
(2) any Bond (or portion of a Bond) for the payment or redemption of which there have been separately set aside and held in a Redemption Account hereunder either:

(a) monies in an amount sufficient to effect payment of the principal or applicable Redemption Price thereof, together with accrued interest on such Bond to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such monies to such payment or redemption on the date so specified; or

(b) Government Obligations, as described in Section 12.1(B), in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide monies in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such monies to such payment or redemption on the date so specified; or

(c) any combination of (a) and (b) above;

(3) any Bond in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III, Section 6.6 or Section 9.6; and

(4) any Bond deemed to have been paid as provided in subsection (B) of Section 12.1.

"Permitted Encumbrances" means such liens, encumbrances, declarations, reservations, easements, rights of way and other clouds on title as do not impair the use or value of the premises or such other liens, encumbrances, declarations, reservations, easements, rights of way and other clouds on title as are specified in a Supplemental Resolution with respect to a Mortgage Loan.

"Pledged Receipts" means, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, (i) the scheduled or other payments required by any Mortgage Loan and paid to or to be paid to the Corporation from any source, including, but not limited to, interest, rent or other subsidy payments, and including both timely and delinquent payments, (ii) Hedge Receipts, (iii) Termination Receipts, (iv) accrued interest and delinquent payments, (v) all income earned or gain realized in excess of losses suffered on any investment or deposit of monies in the Accounts established and maintained pursuant to the Resolution or a Supplemental Resolution, or monies provided by the Corporation and held in trust for the benefit of the Bond owners pursuant to the Resolution, but shall not mean or include amounts required to be deposited into the Rebate Fund, Recoveries of Principal, any payments with respect to any Mortgage Loan received prior to the date that Revenues therefrom are pledged under this Resolution, Escrow Payments, late charges, administrative or credit enhancement fees, if any, of the Corporation or any amount retained by the servicer (which may include the Corporation) of any Mortgage Loan, as financing, servicing, extension or settlement fees.
“Principal” or “principal” means (i) as such term references the principal amount of any Capital Appreciation Bonds or Deferred Income and Appreciation Bonds, the Accreted Amount thereof (the excess of the stated maturity amount of a Capital Appreciation Bond or Deferred Income and Appreciation Bond above the Accreted Amount thereof being deemed unearned interest on such Bond), except as used in the Resolution in connection with the authorization and issuance of Bonds and in the order of priority of payments on Bonds after default, in which cases the term “principal” shall mean the initial public sale price of a Capital Appreciation Bond or Deferred Income and Appreciation Bond, and the difference between the Accreted Amount of such Capital Appreciation Bond or Deferred Income and Appreciation Bond and the initial public sale price thereof shall be deemed to be interest, and (ii) as such term references the principal amount of any other Bond, the principal amount at maturity of such Bond.

“Principal Installment” means, as of any date of calculation, (i) the aggregate principal amount of Outstanding Bonds due on a certain future date, reduced by the aggregate principal amount of such Bonds which would be retired by reason of the payment when due and application in accordance with this Resolution of Sinking Fund Payments payable before such future date plus (ii) the unsatisfied balance, determined as provided in subsection 5.4(D), of any Sinking Fund Payments due on such certain future date, together with the aggregate amount of the premiums, if any, applicable on such future date upon the redemption of such Bonds by application of such Sinking Fund Payments in a principal amount equal to said unsatisfied balance.

“Project” means any multi-family housing development or other facility financeable by the Corporation under the Act or other applicable law and approved by the Corporation.

“Qualified Hedge” shall mean, to the extent from time to time permitted by law, any financial arrangement (i) which is entered into by the Corporation with an entity that is a Qualified Hedge Provider at the time the arrangement initially is entered into; (ii) which is a cap, floor or collar; forward rate; future rate; swap; asset, index, price or market-linked transaction or agreement; other exchange or rate protection transaction agreement; other similar transaction (however designated); or any combination thereof; or any option with respect thereto; or any similar arrangement; and (iii) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Hedge hereunder.

“Qualified Hedge Payment” means the net amount required to be paid by the Corporation under a Qualified Hedge, other than (a) Termination Payments and (b) fees, expenses or similar other charges or obligations thereunder.

“Qualified Hedge Provider” shall mean an entity (a) whose senior long term obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, at the time of initially entering into the related Qualified Hedge, are rated in the three highest rating categories by any nationally recognized rating agency, or whose payment obligations under a Qualified Hedge are guaranteed by an entity whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating, or claims paying ability are rated in the three highest rating categories
by any nationally recognized rating agency, or (b) whose payment obligations under the related Qualified Hedge are secured by a collateral agreement that, at the time of initially entering into the collateral agreement, is rated, or the entity’s (or a guarantor of the entity’s) obligations under the collateral agreement are rated, in the three highest rating categories by any nationally recognized rating agency; provided, however, that the definition of Qualified Hedge Provider shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to this Resolution by a Supplemental Resolution, thus permitting hedge providers with different characteristics from those permitted pursuant to (a) and (b) which the Corporation deems from time to time to be in the interests of the Corporation to include as Qualified Hedge Providers if at the time of inclusion there is delivered to the Trustee a Rating Confirmation regarding such inclusion.

“Rated Bond” means a Bond (other than a Subordinate Bond) that has been assigned a rating, without regard to any Credit Facility securing such Bond, by a Rating Agency pursuant to a request for a rating by the Corporation, but excludes any such Bond during any period that commences on a date of remarketing of such Bond if no Rating Agency has at the request of the Corporation assigned such a rating to such Bond during such period.

“Rating Agency” means any nationally recognized rating agency when any Bonds are rated by such agency, pursuant to a request for a rating by the Corporation.

“Rating Confirmation” means, with respect to a proposed action, a statement by at least one Rating Agency that refers to the proposed action and states, with respect to each Rated Bond rated by such Rating Agency, that its then-existing rating is confirmed or that such action will not cause such Rating Agency to lower, suspend or withdraw the rating assigned to such Rated Bond. (For purposes of this definition, “rating” with respect to a Rated Bond and a Rating Agency means such Rating Agency’s rating of such Rated Bond without regard to any Credit Facility securing such Rated Bond.)

“Rebate Amount” means, with respect to a particular Series of Bonds, the amount, if any, required to be deposited in the Rebate Fund in order to comply with the covenants contained in Section 7.9.

“Rebate Fund” means the Rebate Fund established pursuant to this Resolution.

“Record Date” means, with respect to the payment of interest on a Series of Bonds, the date or dates specified in the applicable Supplemental Resolution.

“Recoveries of Principal” means, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all amounts received by the Corporation as a recovery of the principal amount disbursed by the Corporation in connection with any Mortgage Loan, including any premium or penalty with respect thereto, on account of (i) the advance payment of amounts to become due pursuant to such Mortgage Loan, at the option of the Mortgagor, (ii) the sale, assignment, endorsement or other disposition thereof; (iii) the acceleration of payments due thereunder or other remedial proceedings taken in the event of the default thereon, (iv) proceeds of any insurance award resulting from the damage or destruction of a Project which are required to be applied to payment of a Mortgage Note pursuant
to a Mortgage, (v) proceeds of any condemnation award resulting from the taking by condemnation (or by agreement of interested parties in lieu of condemnation) by any governmental body or by any person, firm, or corporation acting under governmental authority, of title to or any interest in or the temporary use of, a Project or any portion thereof, which proceeds are required to be applied to payment of a Mortgage Note pursuant to a Mortgage or (vi) proceeds of any mortgage insurance or credit enhancement with respect to a Mortgage Loan which is in default.

“Redemption Account” means the Redemption Account established pursuant to this Resolution.

“Redemption Date” means the date or dates upon which Bonds are to be called for redemption pursuant to this Resolution.

“Redemption Price” means, with respect to any Bonds, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof.

“Resolution” means this Bond Resolution and any amendments thereof or supplements thereto made in accordance with its terms.

“Revenue Account” means the Revenue Account established pursuant to this Resolution.

“Revenues” means the Pledged Receipts and Recoveries of Principal.

“Series” means any Series of Bonds issued pursuant to this Resolution.

“Sinking Fund Payment” means, with respect to a particular Series, as of any particular date of calculation, the amount required to be paid at all events by the Corporation on a single future date for the retirement of Outstanding Bonds which mature after said future date, but does not include any amount payable by the Corporation by reason of the maturity of a Bond or by call for redemption at the election of the Corporation.

“State” means the State of New York.

“Subordinate Bonds” means any Bonds which, pursuant to the Supplemental Resolution authorizing such Bonds, are secured by a subordinate charge and lien on the Revenues and assets pledged under this Resolution.

“Subordinate Obligations” shall mean (i) the Corporation’s obligation to make Termination Payments and (ii) any other payment obligation of the Corporation that arises under a contract, agreement or other obligation of the Corporation and has been designated in writing to the Trustee by an Authorized Officer as a Subordinate Obligation hereunder.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the Corporation and effective in accordance with Article VIII and, if providing for the issuance of Bonds, Article II.
"Termination Payment" means, with respect to a Qualified Hedge, an amount required to be paid by the Corporation to a Qualified Hedge Provider as a result of the termination in advance of the stated termination date or scheduled reduction of the related Qualified Hedge, or required to be paid by the Corporation into a collateral account as a source of payment of any such payments.

"Termination Receipt" means an amount required to be paid to the Corporation under a Qualified Hedge by the Qualified Hedge Provider as a result of the termination in advance of the stated termination date or scheduled reduction of such a Qualified Hedge.

"Trustee" means the trustee designated as Trustee herein and its successor or successors and any other person at any time substituted in its place pursuant to this Resolution.

Section 1.3. Interpritation. (A) In this Resolution, unless the context otherwise requires:

(1) the terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Resolution, refer to this Resolution, and the term "heretofore" means before, and the term "hereafter" means after, the date of adoption of this Resolution;

(2) words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa;

(3) words importing persons shall include firms, associations, limited liability companies, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(4) any headings preceding the texts of the several Articles and Sections of this Resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Resolution, nor shall they affect its meaning, construction or effect;

(5) if at any time there shall be one person who shall be the owner of all of the Outstanding Bonds and the consent of the Trustee shall be required under this Resolution, such consent means the consent of such person, unless such person shall have been notified and shall not have responded within a reasonable period of time;

(6) this Resolution shall be governed by and construed in accordance with the applicable laws of the State;

(7) any publication to be made under the provisions of this Resolution in successive weeks or on successive dates may be made in each instance upon any business day of the week and need not be made in the same Authorized Newspaper for any or all of the successive publications but may be made in different Authorized Newspapers. If, because of the temporary or permanent suspension of the publication or general circulation of any of the Authorized Newspapers or for any other reason, it is impossible
or impractical to publish any notice pursuant to this Resolution in the manner herein
provided, then such publication in lieu thereof as shall be made with the approval of the
Trustee shall constitute a sufficient publication of such notice;

(8) words importing the redemption or redeeming of a Bond or the calling of a
Bond for redemption do not include or connote the payment of such Bond at its stated
maturity or the purchase of said Bond;

(9) the date upon which any Sinking Fund Payment is required to be paid
pursuant to this Resolution and the provisions of the Bonds shall be deemed to be the date
upon which such Sinking Fund Payment is payable and the Outstanding Bonds to be
retired by application of such Sinking Fund Payment shall be deemed to be the Bonds
entitled to such Sinking Fund Payment;

(10) whenever in this Resolution the Corporation is named or referred to, it
shall and shall be deemed to include its successors and assigns whether so expressed or
not. All of the covenants, stipulations, obligations and agreements by or on behalf of,
and other provisions for the benefit of, the Corporation contained in this Resolution shall
bind and inure to the benefit of such successors and assigns and shall bind and inure to
the benefit of any officer, board, commission, authority, agency or instrumentality to
whom or to which there shall be transferred by or in accordance with law any right,
power or duty of the Corporation, or of its successors or assigns, the possession of which
is necessary or appropriate in order to comply with any such covenants, stipulations,
obligations, agreements or other provisions of this Resolution;

(11) any monies, documents, securities, obligations or other items received by
the Trustee pursuant to the terms of this Resolution shall be deemed to have been
received by the Corporation; and

(12) whenever notice is to be provided pursuant to this Resolution, notice by
electronic or other means shall be deemed sufficient provision of notice in lieu of notice
by telephone, mail or publication, if so authorized by the Trustee.

(B) Nothing in this Resolution expressed or implied is intended or shall be
construed to confer upon, or to give to, any person, other than the Corporation, the Trustee and
the owners of the Bonds, any right, remedy or claim under or by reason of this Resolution or any
covenant, condition or stipulation hereof. All the covenants, stipulations, promises and
agreements herein contained by and on behalf of the Corporation, shall be for the sole and
exclusive benefit of the Corporation, the Trustee and the owners of the Bonds.

(C) If any one or more of the covenants or agreements provided herein on the
part of the Corporation or the Trustee to be performed should be contrary to law, then such
covenant or agreement shall be deemed separable from the remaining covenants and agreements
hereof and shall in no way affect the validity of the other provisions of this Resolution or of the
Bonds.

(D) All resolutions or parts of resolutions or other proceedings of the
Corporation with respect to the Mortgage Loans or Projects in conflict are repealed insofar as
such conflict exists. This provision shall not affect any actions taken by the Corporation constituting official action in accordance with the Code with respect to any Mortgage Loan or Project.

(E) No Cash Flow Statement or Cash Flow Certificate required by this Resolution shall include, as either assets or revenues, projected or otherwise, amounts in or to be deposited into the Rebate Fund in satisfaction of the Rebate Amount.

(F) All references to Section numbers or Article numbers which do not specify the document to which such Section numbers or Article numbers relate shall be deemed to refer to Section numbers or Article numbers, as the case may be, contained in this Resolution.
ARTICLE II

TERMS OF BONDS

Section 2.1. Authorization for Resolution and Bonds. This Resolution and the issuance of Bonds hereunder have been duly authorized by the Corporation and the principal amount of Bonds that may be issued hereunder is not limited except as provided herein or by law. The Corporation has ascertained and it is hereby determined and declared that the adoption of this Resolution is necessary to carry out the powers and duties expressly provided by the Act and other applicable law, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate the purposes of the Corporation in accordance with the Act and other applicable law and to carry out powers expressly given in the Act and other applicable law, and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and are contracts or agreements necessary, useful or convenient to carry out and effectuate the purposes of the Corporation under the Act and other applicable law.

Section 2.2. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this Resolution shall be a part of the contract of the Corporation with the owners of the Bonds and shall be deemed to be and shall constitute a contract among the Corporation, the Trustee and the owners from time to time of such Bonds. The pledges and assignments made hereby and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Corporation shall be for the benefit, protection and security of the owners of any and all of such Bonds, each of which, regardless of the time of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Resolution or a Supplemental Resolution authorizing a Series of Bonds.

Section 2.3. Obligation of Bonds. (A) This Resolution authorizes an issue of Bonds of the Corporation and creates a continuing pledge and lien on the Revenues and assets pledged hereunder to secure the full and final payment of the principal and Redemption Price of and interest on such Bonds, including any Sinking Fund Payments for the retirement thereof. The Bonds shall be special revenue obligations of the Corporation payable solely from the revenues and assets pledged therefor pursuant to this Resolution. The Bonds shall contain on their face a statement that the Bonds shall not be a debt of either the State of New York or of The City of New York and neither the State nor said City shall be liable thereon, nor shall the Bonds be payable out of any funds other than those of the Corporation pledged therefor.

(B) The Revenues and all amounts held in any Account including investments thereof, are hereby pledged to secure the payment of the Bonds (including the Sinking Fund Payments for the retirement thereof) and Qualified Hedge Payments, if any, in accordance with the terms of the Bonds and the Qualified Hedges, if any, and the provisions of this Resolution, subject only to the provisions of this Resolution permitting the use and application thereof for or to the purposes and on the terms and conditions herein set forth; provided, however, that notwithstanding anything to the contrary contained herein, the Corporation may, pursuant to a Supplemental Resolution authorizing the issuance of a Series of Bonds, also pledge such Revenues and amounts to one or more Credit Facility Providers who have provided Credit
Facilities to secure such Series of Bonds and such further pledge may be either on a parity with or subordinate to the pledge set forth in this paragraph (B) to secure the payment of the Bonds, all as set forth in such Supplemental Resolution; and provided further, however, that the Corporation may, pursuant to a Supplemental Resolution, provide that amounts in an Account established pursuant to such Supplemental Resolution be excluded from the pledge set forth in this paragraph (B) to secure the payment of the Bonds or otherwise limit such pledge with respect to such Account. The foregoing pledge does not include amounts on deposit in or required to be deposited in the Rebate Fund. To the fullest extent provided by the Act and other applicable laws, the money and property hereby pledged shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and such lien shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, irrespective of whether such parties have notice hereof.

Section 2.4. Authorization, Principal Amount and Purpose of Bonds. In order to provide sufficient funds for financing the Corporation Corporate Purposes, Bonds of the Corporation are hereby authorized to be issued without limitation as to amount except as may be provided by law. No Bonds shall be issued unless and until the conditions contained in Section 2.6 and, if applicable, Section 2.7 are satisfied.

Section 2.5. Issuance and Delivery of Bonds. After their authorization by the Corporation, Bonds, including refunding Bonds authorized pursuant to Section 2.7 hereof, may be executed by or on behalf of the Corporation and delivered to the Trustee for authentication and, upon compliance by the Corporation with the requirements of Section 2.6, the Trustee shall thereupon authenticate and deliver such Bonds to or upon the order of the Corporation.

Section 2.6. Conditions Precedent to Delivery of Bonds. The Bonds shall be executed by the Corporation for issuance and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Corporation or upon its order, but only upon the receipt by the Trustee of:

(1) a copy of this Resolution and a Supplemental Resolution authorizing such Bonds, certified by an Authorized Officer, which shall specify:

(a) the authorized principal amount and designation of such Bonds;

(b) the purposes for which such Bonds are being issued, which shall be one or more of the following: (i) the financing of one or more of the Corporation Corporate Purposes, including, but not limited to, the financing of Mortgage Loans (including any increases with respect to Mortgage Loans), (ii) the making of deposits in the amounts, if any, required or permitted by this Resolution or such Supplemental Resolution into the Accounts established hereunder or under such Supplemental Resolution, (iii) the refunding of Bonds or any other bonds, notes or other obligations of the Corporation or other entity or (iv) any combination of the foregoing;

(c) the dated dates and maturity dates of such Bonds;
(d) the interest rate or rates of such Bonds (or the manner of determining such rate or rates) and the Interest Payment Dates therefor;

(e) the denominations of, and the manner of dating, numbering and lettering, such Bonds;

(f) the Trustee and the places of payment of such Bonds or, subject to Article XI, the manner of appointing and designating the same;

(g) the Redemption Prices, if any, of and, subject to the provisions of Article VI, the redemption terms for such Bonds;

(h) the amounts and due dates of the Sinking Fund Payments, if any, for any of such Bonds of like maturity;

(i) the Accreted Amounts for any Capital Appreciation Bonds and Deferred Income and Appreciation Bonds and, for any Deferred Income and Appreciation Bonds, the date on which such securities begin to pay current interest;

(j) the amount of the Debt Service Reserve Account Requirement with respect to such Bonds, which amount may be zero;

(k) provisions for the sale of such Bonds;

(l) provisions concerning the forms of such Bonds, and of the Trustee’s certificate of authentication;

(m) provisions concerning any Credit Facility to be provided in connection with such Bonds;

(n) provisions concerning the issuance of such Bonds in book-entry form;

(o) the Mortgage Loans, if any, being made subject to the lien of this Resolution in connection with the issuance of such Bonds; and

(p) any other provisions deemed advisable by the Corporation as shall not conflict with the provisions hereof;

(2) a Bond Counsel’s Opinion to the effect that (i) this Resolution and the Supplemental Resolution have been duly adopted by the Corporation and are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms (except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency and other laws affecting creditors’ rights and remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)); (ii) this Resolution and such Supplemental Resolution create the valid pledge and lien which they purport to create of
and on the Revenues and all the Accounts established hereunder and under such Supplemental Resolution and moneys and securities on deposit therein, subject to the use and application thereof for or to the purposes and on the terms and conditions permitted by this Resolution and such Supplemental Resolution; and (iii) upon the execution, authentication and delivery thereof, such Bonds will have been duly and validly authorized and issued in accordance with the laws of the State, including the Act as amended to the date of such Opinion, and in accordance with this Resolution and such Supplemental Resolution;

(3) a written order as to the delivery of such Bonds, signed by an Authorized Officer;

(4) the amount of the proceeds of such Bonds to be deposited with the Trustee pursuant to Section 4.1;

(5) such further documents and monies as are required by the provisions of Article VIII or any Supplemental Resolution adopted pursuant to Article VIII; and

(6) a Cash Flow Statement conforming to the requirements of Section 7.16 hereof.

Section 2.7. Refunding Bonds. Refunding Bonds of the Corporation may be issued under and secured by this Resolution, subject to the conditions hereinafter provided in this Section, from time to time, for the purpose of providing funds, with any other available funds, for (i) redeeming (or purchasing in lieu of redemption) prior to their maturity or maturities, or retiring at their maturity or maturities, all or any part of the Outstanding Bonds of any Series, including the payment of any redemption premium thereon (or premium, to the extent permitted by law, included in the purchase price, if purchased in lieu of redemption), (ii) making any required deposits to the Debt Service Reserve Account, (iii) if deemed necessary by the Corporation, for paying the interest to accrue on the refunding Bonds or refunded Bonds to the date fixed for their redemption (or purchase) and (iv) paying any expenses in connection with such refunding. Before any Bonds shall be issued under the provisions of this paragraph, the Corporation shall adopt a Supplemental Resolution authorizing the issuance and sale of such Bonds, fixing the amount and the details thereof, describing the Bonds to be redeemed and setting forth determinations with respect to the same matters as are set forth in Section 2.6 hereof.

Refunding Bonds shall be designated, shall be in such denominations, shall be dated, shall bear interest, if any, at a rate or rates not exceeding the maximum rate then permitted by law payable beginning on such date, shall be stated to mature on such date or dates and in such year or years, shall have such Interest Payment Dates, and shall be made redeemable at such times and prices, shall be numbered, and any Term Bonds of such Series shall have such redemption provisions, all as may be provided by the Supplemental Resolution for such Bonds. Except as otherwise provided in the Supplemental Resolution authorizing a Series of refunding Bonds, refunding Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Resolution as all other Bonds (other than Subordinate Bonds) issued under this Resolution, provided, however, a Supplemental Resolution may provide for differences in the
maturities thereof or the Interest Payment Dates or the rate or rates of interest or the provisions for redemption.

Before any Series of refunding Bonds shall be authenticated and delivered by the Trustee, there shall be on file with the Trustee, the following:

(a) the documents specified in clauses (1) through (5) of Section 2.6 hereof;

(b) either (i) the document specified in clause (6) of Section 2.6 hereof or (ii) a certificate of an Authorized Officer demonstrating that (x) on each date after the issuance of such Series, the aggregate amount of principal and Redemption Price of and interest on the Bonds that will be Outstanding upon such issuance that will be due on such date will be less than or equal to the aggregate amount of principal and Redemption Price of and interest on the Bonds Outstanding prior to such issuance that would be due on such date, and (y) the issuance of such Series and the refunding of the Bonds to be refunded will not result in a reduction of the Debt Service Reserve Account Requirement as of the date the Bonds to be refunded cease to be Outstanding;

(c) a certificate of an Authorized Officer stating that the proceeds (excluding accrued interest but including any premium) of such refunding Bonds, together with any moneys which have been made available to the Trustee for the purpose of paying Debt Service, or the principal of and the interest on the investment of such proceeds or any such moneys, will be not less than an amount sufficient to pay the principal of and the redemption premium, if any, on the Bonds to be refunded and the interest which will become due and payable on or prior to the date of their payment or redemption and the expenses in connection with such refunding and to make any required deposits to the Debt Service Reserve Account; and

(d) if all or part of the refunded Bonds are to be redeemed prior to maturity, irrevocable instructions from an Authorized Officer to the Trustee to redeem the applicable Bonds.

The proceeds of such refunding Bonds shall, to the extent practicable, be invested and reinvested by the Trustee, with the approval of the Corporation in Investment Securities, and the moneys so invested shall be available for use when required. The income derived from such investments shall be added to such proceeds and applied in accordance with the provisions of this Section 2.7.
ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.1. Medium of Payment, Denominations, Maturities, Form and Date.

(A) The 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.

(B) Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all Bonds shall be in the denomination, or, in the case of Capital Appreciation Bonds and Deferred Income and Appreciation Bonds, the maturity amount, of $5,000 or in denominations or maturity amounts of any whole multiple thereof.

(C) The principal of and interest on each Series of Bonds shall be due and payable on the date or dates set forth in the Supplemental Resolution authorizing same.

(D) Bonds shall be issued solely in fully registered form, without coupons, substantially in the form set forth in the Supplemental Resolution authorizing such Bonds.

(E) Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all Bonds shall bear interest from the later of (i) the date established with respect to such Bonds in the Supplemental Resolution pursuant to which such Bonds are issued, or (ii) the most recent date to which interest has been paid in full. Bonds shall be dated the date of their authentication and delivery hereunder unless a different date is established in the Supplemental Resolution pursuant to which such Bonds are issued.

(F) Notwithstanding anything to the contrary contained herein, a Series of Bonds may be issued in book-entry form if so provided in the Supplemental Resolution authorizing such Series of Bonds, and the payment of such Series of Bonds shall be made in accordance with the procedures established or referred to in such Supplemental Resolution.

Section 3.2. Legends. The Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Resolution as may be necessary or desirable to comply with custom, or otherwise.

Section 3.3. Interchangeability of Bonds. Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such owner’s duly authorized attorney, may at the option of the registered owner thereof, and upon payment by such registered owner of any charges which the Trustee may make as provided in Section 3.6, be exchanged for an equal aggregate principal amount of fully registered Bonds of the same tenor, maturity and Series, of any of the authorized denominations.

Section 3.4. Negotiability, Transfer and Registry. All the Bonds issued under this Resolution shall be negotiable subject to the provisions for registration, transfer and exchange contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Corporation shall maintain and keep, at the corporate trust office of the Trustee, books for the registration, transfer and exchange of Bonds. Upon presentation thereof
for such purpose at said office, the Corporation shall register or cause to be registered in such books, and permit to be transferred thereon, under such reasonable regulations as it or the Trustee may prescribe, any Bonds entitled to registration or transfer. So long as any of the Bonds remain Outstanding, the Corporation shall make all necessary provisions to permit the exchange of Bonds at the corporate trust office of the Trustee.

Section 3.5. Transfer of Bonds. (A) Each Bond shall be transferable only upon the books of the Corporation, which shall be kept for such purpose at the corporate trust office of the Trustee, by the registered owner thereof in person or by such person’s attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Bond, the Corporation shall issue in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount, tenor, maturity and Series as the surrendered Bond.

(B) The Corporation and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the books of the Corporation as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if any, of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon such owner’s order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary.

Section 3.6. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Corporation shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Bonds, whether temporary or definitive, the Corporation or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charges required to be paid with respect to such exchange or transfer, and, except (i) with respect to the delivery of definitive Bonds in exchange for temporary Bonds or (ii) as otherwise provided herein, may charge a sum sufficient to pay the cost of preparing each new Bond issued upon such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Except as otherwise provided in a Supplemental Resolution with respect to a Series of Bonds authorized thereunder, the Corporation shall not be obliged to make any such exchange or transfer of Bonds (i) during the fifteen days preceding an Interest Payment Date on such Bonds, or (ii) with respect to any particular Bond, after such Bond has been called for redemption.

Section 3.7. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Corporation shall execute and the Trustee shall authenticate a new Bond of like interest rate, maturity, principal amount, Series and other terms as the Bond so mutilated, destroyed, stolen or lost. In the case of a mutilated Bond, such new Bond shall be delivered only upon surrender and cancellation of such mutilated Bond. In the case of Bonds issued in lieu of and substitution for a Bond destroyed, stolen or lost, such new Bond shall be delivered only upon filing with the Trustee of evidence satisfactory to the
Corporation and the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof and upon furnishing the Corporation and the Trustee with indemnity satisfactory to them. The person requesting the authentication and delivery of a new Bond pursuant to this Section shall comply with such other reasonable regulations as the Corporation and the Trustee may prescribe and pay such expenses as the Corporation and the Trustee may incur in connection therewith. All Bonds so surrendered to the Trustee shall be cancelled by it and evidence of such cancellation shall be given to the Corporation.

Section 3.8. Preparation of Definitive Bonds; Temporary Bonds.
(A) Definitive Bonds shall be lithographed, typewritten or printed. Until definitive Bonds are prepared, the Corporation may execute and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof and as to exchangeability, one or more temporary Bonds, substantially of the tenor of the definitive Bonds in lieu of which such temporary Bonds are issued, in denominations of $5,000 or any multiple thereof (except as otherwise provided in the applicable Supplemental Resolution), and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds shall be payable only upon the presentation of such temporary Bonds for notation thereon of the payment of such interest. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution.

(B) All temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

Section 3.9. Cancellation and Destruction of Bonds. All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. Bonds so cancelled may, at any time, be cremated or otherwise destroyed by the Trustee, who shall execute a Certificate of cremation or destruction in duplicate by the signature of one of its authorized officers describing the Bonds so cremated or otherwise destroyed, and one executed Certificate shall be filed with the Corporation and the other executed Certificate shall be filed with the Trustee.

Section 3.10. Execution and Authentication. (A) After their authorization pursuant to a Supplemental Resolution, Bonds may be executed by or on behalf of the Corporation and delivered to the Trustee for authentication. The Bonds shall be executed in the name and on behalf of the Corporation by the manual or facsimile signature of an Authorized Officer and the corporate seal of the Corporation (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon, and attested by the manual or facsimile signature of any other Authorized Officer, or in such other manner as may be required by law. In case any one or more of the officers or employees who shall have signed or sealed any of the Bonds shall cease to be such officer or employee before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office or be so employed. Any Bond may be signed and sealed on behalf of the Corporation by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office in or employment by the Corporation, although at the date of
the Bonds such persons may not have been so authorized or have held such office or employment.

(B) The Bonds shall bear thereon a certificate of authentication, substantially in the form set forth in the applicable Supplemental Resolution, executed manually by the Trustee. No Bond shall be entitled to any right or benefit under this Resolution or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Corporation shall be conclusive evidence that the Bond has been so authenticated and delivered under this Resolution and that the owner thereof is entitled to the benefits hereof.
ARTICLE IV
APPLICATION, CUSTODY AND INVESTMENT OF BOND PROCEEDS AND OTHER AMOUNTS

Section 4.1. Application of Bond Proceeds, Accrued Interest and Premium. Unless otherwise provided in the applicable Supplemental Resolution, the proceeds of sale of a Series of Bonds, shall, as soon as practicable upon the delivery of such Bonds by the Trustee pursuant to Section 2.6, be applied as follows:

(1) the amount, if any, received at such time as a premium above the aggregate principal amount of such Bonds shall be applied as specified in the Certificate of an Authorized Officer, and such portion of the amount, if any, received as accrued interest shall be deposited in the Revenue Account as shall be directed by an Authorized Officer;

(2) with respect to any Series issued for the purpose of refunding Bonds or any other bonds, notes or other obligations of the Corporation or other entity, the amount, if any, required to pay Costs of Issuance, as designated by an Authorized Officer of the Corporation, shall be deposited in the Bond Proceeds Account;

(3) with respect to any Series issued for the purpose of refunding Bonds or any other bonds, notes or other obligations of the Corporation or other entity, the balance remaining after such deposits have been made as specified in (1) and (2) above shall be applied as specified in the Supplemental Resolution authorizing such Series; and

(4) the amount, if any, necessary to cause the amount on deposit in the Debt Service Reserve Account to equal the Debt Service Reserve Account Requirement immediately following the time of such delivery shall be deposited in the Debt Service Reserve Account together with such additional amount, if any, as may be specified in the Supplemental Resolution authorizing such Bonds; and

(5) the balance remaining after such deposits have been made shall be deposited in the Bond Proceeds Account.

Section 4.2. Description of Mortgage Loans. Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, when amounts deposited in the Bond Proceeds Account pursuant to the provisions of Section 4.1 are to be applied to the financing of Mortgage Loans, the Corporation shall file with the Trustee a Certificate of an Authorized Officer setting forth in particular a description of the Mortgage Loans expected to be financed by application of such amounts.

Section 4.3. Financing of Mortgage Loans; Conditions Precedent. Except as otherwise provided in the applicable Supplemental Resolution, amounts in the Bond Proceeds Account shall not be disbursed for financing a Mortgage Loan, including either advances during construction or permanent financing thereof, unless the conditions prescribed in Section 5.2 have been met, and
(1) the instrument evidencing such Mortgage Loan and the Mortgage and any other document securing such Mortgage Loan shall have been duly executed and delivered, and, in the opinion of counsel, who may be counsel to the Mortgagor, constitute valid and binding agreements between the parties thereto enforceable in accordance with their terms, except as such enforcement may be limited by operation of bankruptcy, insolvency or similar laws affecting the rights and remedies of creditors, and any filings or recordings necessary to establish, preserve and protect the Corporation's interest in the Mortgage shall have been duly made or provision for such filings and recordings have been made in accordance with the requirements of existing law;

(2) there shall have been filed with the Trustee, an opinion of counsel, who may be counsel to the Corporation, to the effect that such Mortgage Loan complies with all provisions of the Act or otherwise applicable law and this Resolution;

(3) the Mortgage is the subject of a policy of title insurance, in an amount not less than the amount of the unpaid principal balance of the Mortgage Loan, issued by a company or companies satisfactory to the Corporation, insuring in favor of the Corporation, a mortgage lien (which need not be a first mortgage lien, if so provided in the applicable Supplemental Resolution), subject only to Permitted Encumbrances, on the real property securing the Mortgage Loan; and

(4) the Project is insured against loss by fire and other hazards as required by the Corporation.

Section 4.4. Investment of Certain Funds. (A) Monies in any Account that are pledged pursuant to this Resolution shall be continuously invested and reinvested by the Trustee, in the highest yield Investment Securities that may be reasonably known to the Trustee, with a view toward maximizing yield (with proper preservation of principal) and minimizing the instances of uninvested funds. The Corporation shall consult with the Trustee from time to time as to the investment of amounts in the Accounts established or confirmed by this Resolution or any Supplemental Resolution. The Corporation may direct the Trustee to, or in the absence of direction, the Trustee shall, invest and reinvest the monies in any Account in Investment Securities so that the maturity date or date of redemption at the option of the owner thereof shall coincide as nearly as practicable with (but in no event later than) the times at which monies are needed to be expended; provided, however, that with respect to monies in an Account established by a Supplemental Resolution that are not pledged pursuant to this Resolution, the Corporation may, if so provided in such Supplemental Resolution, designate another party as authorized to direct the investment of monies in such Account. The Investment Securities purchased shall be held by the Trustee, or for its account as Trustee and shall be deemed at all times to be part of such Account, and the Trustee shall keep the Corporation advised as to the details of all such investments. Subject to the provisions of Section 11.2, the Trustee shall not be liable or responsible for any loss resulting from such investments.

(B) Investment Securities purchased as an investment of monies in any Account held by the Trustee under the provisions of this Resolution or any Supplemental Resolution shall be deemed at all times to be a part of such Account but the income or interest earned and gains realized in excess of losses suffered by an Account due to the investment
thereof shall be deposited in the Revenue Account or shall be credited as Revenues to the Revenue Account from time to time and reinvested, except as otherwise provided in Section 5.1 (C) hereof or in a Supplemental Resolution with respect to an Account established thereunder and except for interest income representing a recovery of the premium and accrued interest, if any, included in the purchase price of any Investment Security, which shall be retained in the particular Account for which the Investment Security was purchased.

(C) To the extent permitted by law, the Trustee may commingle any amounts on deposit in the Accounts held under this Resolution for the purpose of purchasing Investment Securities. However, the Trustee shall maintain and keep separate accounts of such Accounts at all times.

(D) The Trustee shall sell at the best price obtainable, or present for redemption or exchange, any Investment Security purchased by it pursuant to this Resolution or any Supplemental Resolution whenever it shall be necessary in order to provide monies to meet any payment or transfer from the Account for which such investment was made. The Trustee shall advise the Corporation in writing, on or before the twentieth day of each calendar month, of all investments held for the credit of each Account in its custody under the provisions of this Resolution or any Supplemental Resolution as of the end of the preceding month.

(E) Unless an Event of Default has occurred hereunder, monies held in trust by the Trustee under this Resolution shall be invested by the Trustee, and Investment Securities shall be sold by the Trustee, only upon direction from the Corporation, given or confirmed in writing, instructing the Trustee to purchase or sell, as the case may be, specified Investment Securities.

(F) Upon receipt of written instructions from an Authorized Officer of the Corporation, the Trustee shall exchange any coin or currency of the United States of America or Investment Securities held by it pursuant to the Resolution or any Supplemental Resolution for any other coin or currency of the United States of America or Investment Securities of like amount.

(G) Notwithstanding anything to the contrary contained herein, any Investment Securities purchased by the Trustee with funds that are pledged pursuant to this Resolution must, as of the date of such purchase, be rated by at least one nationally recognized rating agency in a category at least equivalent to the rating category of the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) (or “A-1” or “P-1”, as applicable if the Investment Security has a remaining term at the time it is provided not exceeding one year); provided, however, that the Trustee may purchase Investment Securities that are rated lower than that set forth above, so long as the purchase of such Investment Securities does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Rated Bonds by any of the Rating Agencies.

Section 4.5. Valuation and Sale of Investments. (A) In computing the amount in any Account, obligations purchased as an investment of monies therein shall be valued at amortized value (as such term is defined in the Act) or if purchased at par, at par.
(B) Except as otherwise provided herein, the Trustee shall sell at the best price obtainable, or present for redemption, any Investment Security whenever it shall be requested in writing by an Authorized Officer to do so or whenever it shall be necessary in order to provide monies to meet any payment or transfer from any Account held by it. An Investment Security may be credited on a pro-rata basis to more than one Account and need not be sold in order to provide for the transfer of amounts from one Account to another.
ARTICLE V
ACCOUNTS

Section 5.1. Establishment of Accounts. (A) The Corporation hereby establishes the following special trust accounts:

1. Bond Proceeds Account;
2. Revenue Account;
3. Redemption Account; and

(B) All such Accounts shall be held and maintained by the Trustee and shall be identified by the Corporation and the Trustee according to the designations herein provided in such manner as to distinguish such Accounts from the accounts established by the Corporation for any other of its obligations. The Corporation may establish sub-accounts within each Account to the extent consistent with this Resolution and such other Accounts as are authorized pursuant to a Supplemental Resolution. All monies or securities held by the Trustee pursuant to this Resolution or a Supplemental Resolution shall be held in trust and applied only in accordance with the provisions of this Resolution, the applicable Supplemental Resolution, the Act and other applicable law.

(C) Except as otherwise provided in a Supplemental Resolution with respect to an Account established thereunder which is not pledged to the payment of the Bonds or to any Credit Facility Provider in connection with a Credit Facility securing one or more Series of Bonds, earnings on all such Accounts required to be deposited into the Rebate Fund shall be deposited, at least as frequently as the end of each fifth Bond Year and at the time that the last Bond that is part of the Series for which a Rebate Amount is required is discharged, into the Rebate Fund, and earnings on all such Accounts not required to be deposited into the Rebate Fund shall be deposited, as realized, in the Revenue Account.

(D) There is hereby established a special trust account to be held and maintained by the Trustee and entitled the Rebate Fund, which may be further identified as the Corporation and the Trustee shall determine so as to distinguish it from the Accounts and such other accounts as the Corporation may establish. All monies, including earnings on amounts deposited therein, deposited or to be deposited in the Rebate Fund shall be held in trust and applied only in accordance with the provisions of this Resolution, any applicable Supplemental Resolution, the Act and other applicable law.

Section 5.2. Bond Proceeds Account. (A) There shall be deposited from time to time in the Bond Proceeds Account any proceeds of the sale of Bonds representing principal or premium or other amounts required to be deposited therein pursuant to this Resolution and any Supplemental Resolution and any other amounts determined by the Corporation to be deposited therein from time to time. Upon the issuance, sale and delivery of any Series of Bonds pursuant to this Resolution, the Corporation shall establish on the books of the Corporation a
separate sub-account designated “ Series Bond Proceeds Sub-Account” (inserting therein the appropriate series and other necessary designation). Upon payment of any amounts from the Bond Proceeds Account, such payments shall be charged to the appropriate Bond Proceeds Sub-Account on the books of the Corporation.

(B) Amounts in the Bond Proceeds Account shall be expended only (i) to finance one or more of the Corporation Corporate Purposes, including but not limited to, the financing of Mortgage Loans, in accordance with Section 4.3, which may include making Mortgage Loans, acquiring Mortgage Loans or refinancing Mortgage Loans; (ii) to pay Costs of Issuance; (iii) to pay principal of and interest on the Bonds when due and Qualified Hedge Payments, if any, when due, in accordance with subsection (D) of this Section, to the extent amounts in the Revenue Account are insufficient for such purpose; (iv) to purchase or redeem Bonds in accordance with subsection (E) of this Section; (v) to pay, purchase or redeem bonds, notes or other obligations of the Corporation or any other entity in accordance with subsection (F) of this Section and (vi) if so provided in a Supplemental Resolution, to reimburse a Credit Facility Provider for amounts obtained under a Credit Facility for the purposes described in clauses (iii), (iv) or (v) of this paragraph (B).

(C) The Trustee shall pay out and permit the withdrawal of amounts on deposit in the Bond Proceeds Account at any time for the purpose of making payments pursuant to clause (i) or (ii) of paragraph (B) of this Section, but only upon receipt of:

(1) a written requisition setting forth the amount to be paid, the person or persons to whom such payment is to be made (which may be or include the Corporation) and, in reasonable detail, the purpose of such withdrawal; and

(2) a Certificate of an Authorized Officer identifying such requisition and stating that (a) the amount to be withdrawn from the Bond Proceeds Account pursuant to such requisition is a proper charge thereon and specifying the Corporation Corporate Purpose for which payment is to be made, (b) if such requisition is in connection with the financing of a Mortgage Loan, including construction advances thereon, such Mortgage Loan complies with the provisions of this Resolution and (c) the amount of all payments theretofore or thereupon made by the Corporation does not exceed the amount necessary to finance such Corporation Corporate Purpose.

(D) At least one day prior to each Interest Payment Date the Corporation shall deliver to the Trustee a Certificate of an Authorized Officer setting forth the amounts necessary and available to pay the principal of and interest on the Bonds and Qualified Hedge Payments, if any, from the amount on deposit in the Bond Proceeds Account, after giving effect to the actual and expected application of amounts therein to the financing of the Corporation Corporate Purposes as of the date of such Certificate, the amount on deposit for such use in the Revenue Account, and any other amount available for such use pursuant to a Supplemental Resolution. On each Interest Payment Date the Trustee shall transfer the amounts so stated to the Revenue Account.

(E) At any time the Corporation may direct the Trustee in writing to transfer amounts in the Bond Proceeds Account not required for the financing of the Corporation
Corporate Purposes to the Redemption Account or to apply such amounts directly to the redemption, purchase or retirement of Bonds in accordance with their terms and the provisions of Article VI.

(F) If so provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, the Corporation may direct the Trustee in writing to transfer amounts in the Bond Proceeds Account to fund the payment, purchase or redemption of bonds, notes or other obligations, which may include interest thereon, theretofore issued by the Corporation or any other entity upon receipt by the Trustee of a written requisition setting forth (i) the issue of bonds, notes or other obligations with respect to which the transfer is to be made, and (ii) the amount of the transfer.

(G) Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, prior to the time that a disbursement with respect to any Mortgage Loan is made from the Bond Proceeds Account, there shall have been filed with the Trustee the opinion of an attorney authorized to practice within the State (who may be an employee of the Corporation) or a title policy, of a reputable title insurer licensed to practice in the State, insuring, or a combination of both stating or insuring that the Mortgage on the premises financed or to be financed by the Mortgage Loan is a valid and enforceable mortgage lien (which need not be a first mortgage lien, if so provided in the applicable Supplemental Resolution), subject only to Permitted Encumbrances, has been duly filed and has been or is to be recorded, exists in full force and effect and that such Mortgage Loan and any related documents comply with all the requirements of Section 4.3. Such opinion or title policy may be subject to such reasonable exceptions or qualifications as shall not indicate a substantial impairment of the rights and interest of the Corporation and the owners of the Bonds.

Section 5.3. Maintenance of Escrows. (A) All amounts received by the Corporation as Escrow Payments shall be deposited as promptly as possible in escrow accounts maintained by the Corporation or a servicer deemed responsible for such purpose by the Corporation. Amounts in such escrow accounts, or in any sub-account therein, shall be within the control of the Corporation and may, but need not, be held by the Trustee. Amounts in such escrow accounts shall not be subject to the lien and pledge of the Resolution. Such amounts may be set aside and held with any similar funds similarly held and may be applied to any lawful purpose of the Corporation subject to the terms of the Mortgage Loan with respect to which such amounts were received and of any agreement between the Corporation and the Mortgagor or any other party relating to the Mortgage Loan. All Escrow Payments and all Revenues and other payments received and held by a depository with respect to such Mortgage Loan shall be separately identified.

(B) Except as otherwise provided in an applicable Supplemental Resolution authorizing the issuance of a Series of Bonds, upon the happening of an Event of Default specified in Section 10.1 and at the written request of the Trustee or of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), the Corporation shall take any steps requested by the Trustee or such Bond owners in order to effectuate the assignment of all the Corporation’s right, title and interest in and to the Escrow Payments to the Trustee. If, however, the Trustee and the Bond owners are restored to their
positions in accordance with Section 10.4, the Trustee shall assign such Escrow Payments back to the Corporation.

Section 5.4. Revenue Account. (A) The Corporation shall cause all Pledged Receipts and Recoveries of Principal to be deposited promptly with the Trustee in the Revenue Account. There shall also be deposited in the Revenue Account any other amounts required to be deposited therein pursuant to this Resolution and any Supplemental Resolution. All Recoveries of Principal shall be transferred to the Redemption Account and applied to the redemption of Bonds as soon as practically possible; provided, however, that, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, in lieu of such transfer, the Corporation may, upon filing a Cash Flow Statement pursuant to Section 7.16, direct the Trustee to transfer all or a portion of any such Recoveries of Principal to the Bond Proceeds Account or retain all or a portion of any such Recoveries of Principal in the Revenue Account.

(B) The Trustee shall pay out of the Revenue Account (i) on or before each Interest Payment Date, the amounts required for the payment of the Principal Installments, if any, and interest due on the Outstanding Bonds on such date and Qualified Hedge Payments, if any, due on such date, and (ii) on or before the Redemption Date or date of purchase, the amounts required for the payment of accrued interest on Outstanding Bonds to be redeemed or purchased on such date unless the payment of such accrued interest shall be otherwise provided for, and in each such case, such amounts shall be applied by the Trustee to such payments; provided, however, that if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to make the payments referred to in this paragraph (A), then amounts in the Revenue Account which would have otherwise been used to make such payments may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

(C) Any amount accumulated in the Revenue Account up to the unsatisfied balance of each Sinking Fund Payment may, and if so directed in writing by the Corporation shall, be applied (together with amounts accumulated in the Revenue Account with respect to interest on the Bonds for which such Sinking Fund Payment was established) by the Trustee prior to the forty-fifth day preceding the due date of such Sinking Fund Payment (i) to the purchase of Bonds of the maturity for which such Sinking Fund Payment was established, at prices (including any brokerage and other charges) not exceeding the Redemption Price for such Bonds when such Bonds are redeemable by application of said Sinking Fund Payment plus unpaid interest accrued to the date of purchase, such purchases to be made in such manner as the Trustee shall determine, or (ii) to the redemption of such Bonds, if then redeemable by their terms, at the Redemption Prices referred to above; provided, however, that, to the extent permitted by law, the purchase of such Bonds may be at prices exceeding that set forth in clause (i) of this paragraph (C) if the Corporation shall have filed with the Trustee a Cash Flow Statement pursuant to Section 7.16, and provided further, however, that if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to make the purchases referred to in this paragraph (C), then amounts in the Revenue Account which would have otherwise been used to make such purchases may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.
(D) Except as otherwise provided in an applicable Supplemental Resolution, upon the purchase or redemption of any Bond pursuant to subsection (C) of this Section, an amount equal to the principal amount of the Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption. Any such instructions shall be given in such manner as, in the best judgment of the Corporation, shall provide for the payment of the Sinking Fund Payments thereafter to become due from the remaining Revenues to be derived in connection with the Mortgage Loans and any other Revenues expected to be available for such payments after considering the amounts payable pursuant to the Mortgage Loans at such time. The portion of any Sinking Fund Payment remaining after the crediting thereto of any such amounts and of any amounts to be credited thereto as provided in subsection (B) of Section 5.5 (or the original amount of any such Sinking Fund Payment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Payment for the purpose of calculating Sinking Fund Payments due on a future date.

(E) As soon as practicable after the forty-fifth day preceding the due date of any such Sinking Fund Payment, the Trustee shall proceed to call for redemption pursuant to Section 6.3, on such due date, Bonds of the maturity for which such Sinking Fund Payment was established in such amount as shall be necessary to complete the retirement of a principal amount of Bonds equal to the unsatisfied balance of such Sinking Fund Payment. The Trustee shall so call such Bonds for redemption whether or not it then has monies in the Revenue Account sufficient to pay the applicable Redemption Price thereof on the Redemption Date. The Trustee shall pay out of the Revenue Account the amount required for the redemption of the Bonds so called for redemption, and such amount shall be applied by the Trustee to such redemption; provided, however, that if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to make the payments referred to in this paragraph (E), then amounts in the Revenue Account which would have otherwise been used to make such payments may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

(F) On each Interest Payment Date, the Trustee shall make available to the Corporation a statement (and, upon request by the Corporation, shall deliver a Certificate) which sets forth, as of such date, the amount remaining in the Revenue Account as of such date after deducting all payments required to have been made pursuant to paragraph (B) of this Section and the amount, if any, required to be transferred to the Debt Service Reserve Account, the Bond Proceeds Account, the Corporation, the entities providing Investment Securities with respect to the Accounts or any arrangements or agreements with respect thereto, and the entities to whom Subordinate Obligations are due, in order to satisfy the requirement of this Section. Concurrently with the delivery of such Certificate the Trustee shall transfer from the Revenue Account (i) first, to the Debt Service Reserve Account, an amount equal to the amount necessary to be transferred to such Account in order that the amount on deposit therein be equal to the Debt Service Reserve Account Requirement (or such lesser amount as may be available), (ii) second, to the Bond Proceeds Account, such amount as the Corporation determines is required to finance Corporation Corporate Purposes, as evidenced by a Certificate of an Authorized Officer,
(iii) third, if so directed by the Corporation, to the Trustee, an amount equal to the Trustee’s unpaid fees and expenses, (iv) fourth, if so directed by the Corporation, to any Credit Facility Providers, an amount equal to any fees due and owing to such Credit Facility Providers, (v) fifth, to the Corporation, an amount equal to the administrative fee, if any, of the Corporation, to the extent unpaid, (vi) sixth, to the entities providing Investment Securities with respect to the Accounts or any arrangements or agreements with respect thereto, amounts equal to the fees due and payable on or before the next succeeding Interest Payment Date to such entities, as designated in a Certificate of an Authorized Officer, and (vii) seventh, to the entities to whom Subordinate Obligations are due, such Subordinate Obligations then due. At any time after the delivery of such Certificate by the Trustee and after the transfers described in (i), (ii), (iii), (iv), (v), (vi) and (vii) above have been made, except as otherwise provided in a Supplemental Resolution, the Corporation may, upon the written request of an Authorized Officer and upon filing with the Trustee of a Cash Flow Statement or a Cash Flow Certificate pursuant to Section 7.16, withdraw free and clear of the lien of this Resolution any amount remaining in the Revenue Account.

(G) Notwithstanding any other provision of this Section, the Trustee may at any time make transfers from the Revenue Account, upon the written direction of an Authorized Officer, to the Redemption Account for the purposes of such Account. No such transfer shall be made, however, unless there is delivered to the Trustee a Cash Flow Statement or Cash Flow Certificate reflecting such transfer or there is on deposit in the Revenue Account after such transfer an amount equal to the sum of (a) the interest accrued on all Outstanding Bonds as of the date of such transfer, (b) with respect to each Qualified Hedge, the portion of the Qualified Hedge Payment thereunder next due that is accrued as of the date of such transfer, and (c) the product of (i) the aggregate principal amount of Outstanding Bonds and Sinking Fund Payments due on the next succeeding date on which any Outstanding Bond or Sinking Fund Payment is due, and (ii) a fraction, the numerator of which is the number of days from the immediately preceding date on which any Outstanding Bond or Sinking Fund Payment became due to the date of such transfer and the denominator of which is the number of days from such immediately preceding date to such next succeeding date.

(H) Notwithstanding any other provision of this Section, the Corporation in lieu of depositing all or any portion of a Termination Receipt in the Revenue Account may apply such moneys to, and the Trustee upon the written direction of an Authorized Officer may at any time apply moneys in the Revenue Account representing all or a portion of a Termination Receipt to, the payment of the purchase price of a Qualified Hedge.

(I) Notwithstanding any other provision of this Section, no payments shall be required to be made into the Revenue Account so long as the amount on deposit therein shall be sufficient to pay all Outstanding Bonds (including the Sinking Fund Payments for the retirement thereof) and all Qualified Hedge Payments in accordance with their terms, and any Revenues thereafter received by the Corporation may be applied to any corporate purpose of the Corporation free and clear of the pledge and lien of this Resolution.

Section 5.5. Redemption Account. (A) There shall be deposited in the Redemption Account all amounts which are required to be deposited therein pursuant to this Resolution and any Supplemental Resolution and any other amounts available therefor and
determined by the Corporation to be deposited therein. Subject to the provisions of this Resolution or of any Supplemental Resolution authorizing the issuance of a Series of Bonds, requiring the application thereof to the payment, purchase or redemption of any particular Bonds, the Trustee shall apply any amounts deposited in the Redemption Account to the purchase or redemption of Bonds at the times and in the manner provided in this Section and Article VI.

(B) At any time before the forty-fifth day prior to the day upon which Bonds are to be paid or redeemed from such amounts, the Trustee shall, if so directed in writing by the Corporation, apply amounts in the Redemption Account to the purchase of any of the Bonds which may be paid or redeemed by application of amounts on deposit therein. The Trustee shall purchase Bonds at such times, for such prices, in such amounts and in such manner as the Corporation shall from time to time direct. The foregoing notwithstanding, unless specifically directed otherwise by written instructions of an Authorized Officer and accompanied by a Cash Flow Statement pursuant to Section 7.16, any monies in the Redemption Account resulting from Recoveries of Principal shall be applied to the purchase or redemption of Bonds of the Series issued to finance the Mortgage Loans which gave rise to the Recoveries of Principal, such Bonds to be purchased or redeemed on a reasonably proportionate basis among all maturities of such Series based upon the principal amount of such Bonds then Outstanding, and in the event that Sinking Fund Payments have been established for any Bond so purchased or redeemed, such Sinking Fund Payments shall be credited on a reasonably proportionate basis among such Sinking Fund Payments based upon the principal amount of such Sinking Fund Payments. The purchase price paid by the Trustee (excluding accrued interest but including any brokerage and other charges) for any Bond purchased shall not exceed the Redemption Price on such Bonds, if then subject to redemption, or if not subject to redemption, the Redemption Price payable on any such date upon which such Bond is next subject to redemption other than from Sinking Fund Payments; provided, however, that, to the extent permitted by law, the purchase of such Bonds may be at prices exceeding that set forth above in this paragraph (B) if the Corporation shall have filed with the Trustee a Cash Flow Statement pursuant to Section 7.16. In the event the Trustee is able to purchase Bonds at a price less than the Redemption Price at which such Bonds were to be redeemed, then, upon the payment by the Trustee of the purchase price of such Bonds, the Trustee shall transfer the difference between the amount of such purchase price and the amount of such Redemption Price to, and deposit the same in, the Revenue Account.

(C) Except as otherwise specifically provided herein, the Trustee shall have no obligation to purchase or attempt to purchase Bonds at a price below the Redemption Price or at any other price and any arms length purchase by the Trustee shall conclusively be deemed fair and reasonable.

(D) Notwithstanding anything to the contrary contained in this Section, if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to purchase or redeem Bonds, then amounts in the Redemption Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

Section 5.6. Debt Service Reserve Account. (A) There shall be deposited in the Debt Service Reserve Account all amounts required to be deposited therein pursuant to this
Resolution and any Supplemental Resolution and any other amounts received and determined to be deposited therein by the Corporation.

(B) Amounts on deposit in the Debt Service Reserve Account shall be applied, to the extent other funds are not available therefor pursuant to this Resolution and the applicable Supplemental Resolution, to pay the Principal Installments of and interest on the Outstanding Bonds when due, whether by call for redemption or otherwise, and Qualified Hedge Payments, if any, when due. Whenever the amount in the Debt Service Reserve Account exceeds the Debt Service Reserve Account Requirement, the Trustee shall, if so directed by the Corporation, withdraw from the Debt Service Reserve Account the amount of any excess therein over the Debt Service Reserve Account Requirement as of the date of such withdrawal and deposit the monies so withdrawn into the Revenue Account.

(C) Moneys in the Debt Service Reserve Account may, and at the direction of the Corporation shall, be withdrawn from the Debt Service Reserve Account by the Trustee and deposited in the Redemption Account for the purchase or redemption of Bonds at any time, provided that subsequent to such purchase or redemption the amount in the Debt Service Reserve Account will not be less than the Debt Service Reserve Account Requirement.

(D) If on any Interest Payment Date or Redemption Date for the Bonds the amount in the Revenue Account and the Redemption Account, as applicable, shall be less than the amount required for the payment of the Principal Installments and interest due on the Outstanding Bonds on such date and Qualified Hedge Payments, if any, due on such date, the Trustee shall apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency.

(E) Notwithstanding anything to the contrary contained in this Section, if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to pay the Principal Installments of and interest on Bonds, then amounts in the Debt Service Reserve Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

Section 5.7. Rebate Fund. (A) The Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee or any Bond owner or any other person other than as set forth herein.

(B) The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Officer, shall deposit in the Rebate Fund at least as frequently as the end of each fifth Bond Year and at the time that the last Bond that is part of the Series for which a Rebate Amount is required is discharged, an amount such that the amount held in the Rebate Fund after such deposit is equal to the Rebate Amount calculated as of such time of calculation. The amount deposited in the Rebate Fund pursuant to the previous sentence shall be deposited from amounts withdrawn from the Revenue Account, and to the extent such amounts are not available in the Revenue Account, directly from earnings on the Accounts.
(C) Amounts on deposit in the Rebate Fund shall be invested in the same manner as amounts on deposit in the Accounts, except as otherwise specified by an Authorized Officer to the extent necessary to comply with the covenant set forth in Section 7.9 hereof, and except that the income or interest earned and gains realized in excess of losses suffered by the Rebate Fund due to the investment thereof shall be deposited in or credited to the Rebate Fund from time to time and reinvested.

(D) In the event that, on any date of calculation of the Rebate Amount, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Officer, shall withdraw such excess amount and deposit it in the Revenue Account.

(E) The Trustee, upon the receipt of written instructions and certification of the Rebate Amount from an Authorized Officer, shall pay to the United States, out of amounts in the Rebate Fund, (i) not less frequently than once each five (5) years after the date of original issuance of each Series for which a Rebate Amount is required, an amount such that, together with prior amounts paid to the United States, the total paid to the United States is equal to 90% of the Rebate Amount with respect to each Series for which a Rebate Amount is required as of the date of such payment, and (ii) notwithstanding the provisions of Section 12.1(D) hereof, not later than sixty (60) days after the date on which all Bonds of a Series for which a Rebate Amount is required have been paid in full, 100% of the Rebate Amount as of the date of payment.
ARTICLE VI

REDEMPTION OF BONDS

Section 6.1. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity shall be redeemable, upon notice as provided in this Article, at such times, at such Redemption Prices and upon such other terms as may be specified in this Resolution and in the particular Bonds.

Section 6.2. Redemption at the Election or Direction of the Corporation. In the case of any redemption of Bonds otherwise than as provided in Section 6.3, the Corporation shall give written notice to the Trustee of its election or direction so to redeem, of the Redemption Date, of the Series and the principal amounts of the Bonds and maturities to be redeemed (which Series, Redemption Date, maturities and principal amounts thereof to be redeemed shall be determined by the Corporation in its sole discretion, subject to any limitations with respect thereto contained in or permitted by this Resolution or the applicable Supplemental Resolution) and of any monies to be applied to the payment of the Redemption Price. Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, such notice shall be given at least thirty-five (35) days prior to the Redemption Date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as provided in Section 6.5, the Trustee, if it holds the monies to be applied to the payment of the Redemption Price, shall pay, or otherwise the Corporation shall, prior to the Redemption Date, pay to the Trustee, in cash, an amount which, in addition to other monies, if any, available therefor held by such Trustee, will be sufficient to redeem on the Redemption Date at the Redemption Price thereof, all the Bonds to be redeemed. Any redemption elected under this Section shall be effected as quickly as practicably possible consistent with the notice provisions of Section 6.5.

Section 6.3. Redemption Otherwise Than at Corporation’s Election or Direction. Whenever by the terms of this Resolution or a Supplemental Resolution, the Trustee is required to redeem Bonds otherwise than at the election or direction of the Corporation, and subject to and in accordance with the terms of this Article and, to the extent applicable, Article V, the Trustee shall select the Redemption Date of the Bonds to be redeemed, give the notice of redemption and pay the Redemption Price to the Bond owners. In the event of a partial redemption of Bonds from Recoveries of Principal, the Corporation shall direct the Series and maturity or maturities of such Bonds to be so redeemed in accordance with the provisions of Section 5.5. Any redemption elected under this Section shall be effected as quickly as practicably possible consistent with the notice provisions of Section 6.5.

Section 6.4. Selection of Bonds to be Redeemed. Except as otherwise provided in a Supplemental Resolution, in the event of redemption of less than all the Outstanding Bonds of like Series and maturity, the Trustee shall select Bonds by lot, using such method of selection as it shall deem proper in its sole discretion. For the purposes of this Section, Bonds which have theretofore been selected by lot for redemption shall not be deemed Outstanding.

Section 6.5. Notice of Redemption. When the Trustee shall receive notice from the Corporation of its election or direction to redeem Bonds pursuant to Section 6.2 and when
redemption of Bonds is required by this Resolution pursuant to Section 6.3, the Trustee shall give notice, in the name of the Corporation, of the redemption of such Bonds. Such notice shall specify the Series and maturities of the Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable and, if less than all the Bonds of any like maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed. Such notice shall further state that, assuming the satisfaction of all conditions precedent, if any, to such redemption, on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the Redemption Date, and that from and after such date interest thereon shall cease to accrue and be payable in accordance with Section 6.6 hereof. Except as otherwise provided in a Supplemental Resolution, the Trustee shall mail a copy of such notice, postage prepaid, not less than twenty (20) days before the Redemption Date to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books.

Section 6.6. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 6.5 and all conditions precedent, if any, specified in such notice having been satisfied, the Bonds or portions thereof so called for redemption shall become due and payable on the Redemption Date so designated at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, and, except as otherwise provided in a Supplemental Resolution, upon presentation and surrender thereof at the office specified in such notice, together with, in the case of portions of Bonds, a written instrument of exchange duly executed by the registered owner or his duly authorized attorney. Such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the Redemption Date. If there shall be drawn for redemption less than the entire principal amount of a Bond, the Corporation shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered registered Bonds of like Series and maturity in any of the authorized denominations. If, on the Redemption Date, monies for the redemption of all the Bonds or portions thereof to be redeemed, together with interest to the Redemption Date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid and all conditions precedent to such redemption shall have been satisfied, then, from and after the Redemption Date interest on the Bonds or portions thereof so called for redemption shall cease to accrue and be payable, and the Accreted Amount of any Capital Appreciation Bonds and Deferred Income and Appreciation Bonds shall cease to accrete. If said monies shall not be so available on the Redemption Date or if any conditions precedent to such redemption shall not have been satisfied, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.
ARTICLE VII

PARTICULAR COVENANTS

The Corporation covenants and agrees with the Trustee and the owners of the Bonds as follows:

Section 7.1. **Performance.** The Corporation shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under the provisions of the Act, any other applicable law and this Resolution in accordance with the terms of such provisions.

Section 7.2. **Compliance With Conditions Precedent.** Upon the date of issuance of any of the Bonds, all conditions, acts and things required by law or by this Resolution to exist, to have happened or to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed, or will have happened or been performed, and such Bonds, together with all other indebtedness of the Corporation, shall be within every debt and other limit prescribed by law.

Section 7.3. **Power to Issue Bonds and Pledge Revenues, Funds and Other Property.** The Corporation is duly authorized under all applicable laws to authorize and issue the Bonds and to adopt this Resolution and to pledge the assets and Revenues purported to be pledged by this Resolution in the manner and to the extent herein provided. The assets and Revenues so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created hereby, subject to the provisions of Sections 2.3 and 7.10 regarding permitted pledges to Credit Facility Providers, and all corporate or other action on the part of the Corporation to that end has been and will be duly and validly taken. The Bonds and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Corporation in accordance with their terms and the terms of this Resolution. The Corporation shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other assets and revenues, including rights therein pledged under this Resolution and all the rights of the Bond owners under this Resolution against all claims and demands of all persons whomsoever.

Section 7.4. **Payment of Bonds.** The Corporation shall duly and punctually pay or cause to be paid, as herein provided, the principal or Redemption Price of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds, according to the true intent and meaning thereof and shall duly and punctually pay or cause to be paid all Sinking Fund Payments, if any, becoming payable with respect to any of the Bonds.

Section 7.5. [Reserved]

Section 7.6. **Offices for Servicing Bonds.** The Corporation shall at all times maintain an office or agency where Bonds may be presented for registration, transfer or exchange, and where notices, presentations and demands upon the Corporation in respect of the Bonds or of this Resolution may be served. The Corporation shall at all times maintain an office or agency in the Borough of Manhattan, City and State of New York where the Bonds may be
presented for payment. The Corporation hereby appoints the Trustee as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds, and for the service of such notices, presentations and demands upon the Corporation.

Section 7.7. Further Assurance. At any and all times the Corporation shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Revenues and assets hereby pledged or assigned, or intended so to be, or which the Corporation may become bound to pledge or assign.

Section 7.8. Waiver of Laws. The Corporation shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of any stay or extension now or at any time hereafter in force which may affect the covenants and agreements contained in this Resolution or in the Bonds and all benefit or advantage of any such law or laws is hereby expressly waived by the Corporation.

Section 7.9. Tax Covenants. (A) The following covenants are made solely for the benefit of the owners of, and shall be applicable solely to, any Bonds as designated in a Supplemental Resolution, to which the Corporation intends that the provisions of this Section 7.9 shall apply.

(B) The Corporation shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall be excluded from gross income for Federal income tax purposes, except in the event that the owner of any such Bond is a “substantial user” of the facilities financed by the Bonds or a “related person” within the meaning of the Code.

(C) The Corporation shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Corporation to be used directly or indirectly to acquire any securities or obligations or other investment property, the acquisition of which would cause any Bond to be an “arbitrage bond” as defined in Section 148(a) of the Code.

(D) Except as otherwise permitted in a Supplemental Resolution authorizing the issuance of a Series of Bonds, the Corporation shall not permit any person or “related person” (as defined in the Code) to purchase Bonds pursuant to an arrangement, formal or informal, in an amount related to the Mortgage Loan to be acquired by the Corporation from such person or “related person”.

Section 7.10. Covenants with Respect to Mortgage Loans. (A) To secure the payment of the principal or Redemption Price of and interest on the Bonds, the Corporation does hereby pledge for the benefit of the Bond owners all of its right, title and interest in and to the Mortgage Loans, which pledge shall be valid and binding from and after the date of adoption of this Resolution. Such Mortgage Loans shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Corporation, irrespective of whether such parties have notice thereof. Notwithstanding anything
to the contrary contained herein, the Corporation may, pursuant to a Supplemental Resolution authorizing a Series of Bonds, (i) also pledge one or more Mortgage Loans for the benefit of one or more Credit Facility Providers who have provided Credit Facilities to secure such Series of Bonds, and such further pledge may be either on a parity with or subordinate to the pledge set forth in this paragraph (A) to secure the payment of the Bonds, all as set forth in such Supplemental Resolution, or (ii) provide that any or all of the mortgage loans financed by the Series of Bonds authorized pursuant to such Supplemental Resolution be excluded from the pledge set forth in this paragraph (A) to secure the payment of the Bonds or otherwise limit such pledge with respect to such mortgage loans. In addition, notwithstanding the foregoing, any Mortgage Loan pledged hereunder may, at the written direction of the Corporation, be released from such pledge upon the filing with the Trustee of a Cash Flow Statement pursuant to Section 7.16. Upon the happening of an event of default specified in Section 10.1 and the written request of the Trustee or the owners of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds (other than Subordinate Bonds), the Corporation shall effectuate the assignment and deliver the Mortgage Loans to the Trustee. If, however, the Trustee and the Bond owners are restored to their positions in accordance with Section 10.4, the Trustee shall assign such Mortgage Loans with respect thereto back to the Corporation.

(B) In order to pay the Principal Installments of and interest on the Bonds when due, the Corporation shall, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, any other applicable law, the provisions of this Resolution and sound banking practices and principles, (i) use and apply the proceeds of the Bonds, to the extent not reasonably or otherwise required for other purposes of the kind permitted hereby, to finance the Corporation Corporate Purposes pursuant to the Act, any other applicable law and this Resolution and any applicable Supplemental Resolution, (ii) do all such acts and things as shall be necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Mortgage Loans), (iii) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Corporation to protect its rights with respect to or to maintain any insurance on Mortgage Loans or any subsidy payments in connection with the Projects securing the Mortgage Loans or the occupancy thereof and to enforce all terms, covenants and conditions of the Mortgage Loans, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made.

Section 7.11. Personnel and Servicing of Mortgage Loans. (A) The Corporation shall at all times appoint, retain and employ competent personnel for the purpose of carrying out its purposes and powers under the Act and other applicable law and shall establish and enforce reasonable rules, regulations, tests and standards governing the employment of such personnel at reasonable compensation, salaries, fees and charges and all persons employed by the Corporation shall be qualified for their respective positions.

(B) The Corporation may pay to any agency, municipality, political subdivision or governmental instrumentality of the State such amounts as are necessary to reimburse such agency, municipality, political subdivision or governmental instrumentality of the State for the reasonable costs of any services performed for the Corporation.
(C) The Corporation shall duly and properly service all Mortgage Loans and enforce the payment and collection of all payments of principal and interest and all Escrow Payments or shall cause such servicing to be done by a servicer evidencing, in the judgment of the Corporation, the capability and experience necessary to adequately service the Mortgage Loans. Except as otherwise provided in a Supplemental Resolution, each such servicer shall enter into a servicing agreement providing that:

(1) all amounts received by such servicer, except as compensation for its services, shall be deposited promptly with a depository (which may be such servicer) in a fully FDIC insured account subject to and in accordance with the provisions of this Resolution and any applicable Supplemental Resolution and shall be remitted to the Trustee within three Business Days of receipt or, in the case of amounts in excess of $250,000 or prepayments, immediately;

(2) such servicer shall at all times remain qualified to act as such pursuant to such standards as the Corporation shall prescribe from time to time and shall determine to be reasonable to maintain the security for the Bonds; and

(3) such servicer shall agree to maintain servicing facilities that are staffed with trained personnel to adequately service Mortgage Loans in accordance with standards normally employed by private institutional mortgage investors, as determined in the Corporation’s sole discretion, and shall maintain individual files for each Mortgage Loan serviced pursuant to the servicing agreement and provide regular reports to the Corporation as to collections and delinquencies with respect to all Mortgage Loans serviced by such servicer.

Section 7.12. Issuance of Additional Obligations. (A) The Corporation shall not hereafter create or permit the creation of or issue any obligations or create any indebtedness which will be secured by a superior charge and lien on the Revenues and assets pledged under or pursuant to this Resolution for the payment of Bonds (other than Subordinate Bonds). In addition, the Corporation shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness, other than Bonds and except as expressly permitted by this Resolution with respect to pledges made for the benefit of Credit Facility Providers, which will be secured by an equal charge and lien on the Revenues and assets pledged under or pursuant to this Resolution. The Corporation expressly reserves the right (i) to issue one or more Series of Subordinate Bonds pursuant to Supplemental Resolutions and (ii) to issue one or more series of bonds, notes or other obligations pursuant to other resolutions which will be secured by a subordinate charge and lien on the Revenues and assets pledged hereunder.

(B) The Corporation hereby expressly reserves the right to adopt one or more additional resolutions for its purposes, and reserves the right to issue other obligations for such purposes.

Section 7.13. Records. The Corporation shall keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all its transactions relating to the Mortgage Loans and all Accounts established by this Resolution and any Supplemental Resolution which shall at all reasonable times be subject to the inspection of
the Trustee and the owners of an aggregate of not less than 5% in principal amount of Bonds then Outstanding or their representatives duly authorized in writing. The Corporation may authorize or permit the Trustee to keep such books on behalf of the Corporation.

Section 7.14. Agreement of the State. In accordance with the provisions of Section 657 of the Act, the Corporation, on behalf of the State, does hereby pledge to and agree with the owners of the Bonds that the State will not limit or alter the rights vested by the Act in the Corporation to fulfill the terms of any agreements made with such owners, or in any way impair the rights and remedies of such owners until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such owners, are fully met and discharged.

Section 7.15. Sale of Mortgage Loans. The Corporation is authorized to sell, assign or otherwise dispose of a Mortgage Loan, in addition to a sale, assignment or disposition required pursuant to Section 7.10 hereof or any applicable Supplemental Resolution, provided the proceeds of such sale, assignment or disposition shall be treated as Recoveries of Principal for purposes of this Resolution and provided, further, that, with respect to any Mortgage Loan not in default, a Cash Flow Statement is filed with the Trustee pursuant to Section 7.16.

Section 7.16. Cash Flow Statements and Cash Flow Certificates. (A) The Corporation shall file with the Trustee a current Cash Flow Statement (i) whenever any Series of Bonds is issued, or any change referred to in Section 9.2 in a term of an Outstanding Bond is made pursuant to Section 9.2; (ii) upon purchase or redemption of Bonds of a Series from Recoveries of Principal, or the crediting of Sinking Fund Payments established for any Bond to be so purchased or redeemed, in a manner other than (x) as contemplated in the last Cash Flow Statement filed by the Corporation with the Trustee or (y) on a basis whereby the Bonds of each maturity of such Series are purchased or redeemed in the proportion that the amount Outstanding of such maturity bears to the total amount of all Outstanding Bonds of such Series and each Sinking Fund Payment established for any Bond to be so purchased or redeemed is credited in the proportion that the amount of such Sinking Fund Payment bears to the total amount of all Sinking Fund Payments established for such Bond; (iii) prior to withdrawing moneys for payment to the Corporation pursuant to Section 5.4(F) free and clear of the pledge and lien of this Resolution, in an amount in excess of the amounts determined to be available for such purpose in the last Cash Flow Statement filed with the Trustee; (iv) prior to selling Mortgage Loans not in default; (v) prior to the financing of or amending Mortgage Loans to contain terms that would adversely affect the cash flow projections contained in the last Cash Flow Statement filed with the Trustee; (vi) prior to the releasing of any Mortgage Loan from the pledge and lien of this Resolution; (vii) prior to the application of Recoveries of Principal to any use other than the purchase or redemption of Bonds; (viii) prior to the purchase of Bonds pursuant to paragraph (C) of Section 5.4 or paragraph (B) of Section 5.5 at prices in excess of those specified in said paragraphs; (ix) prior to the application of monies in the Redemption Account resulting from Recoveries of Principal to the purchase or redemption of Bonds of a Series other than the Series issued to finance the Mortgage Loans which gave rise to the Recoveries of Principal; and (x) prior to entering into or amending a Qualified Hedge.

(B) A Cash Flow Statement shall consist of a statement of an Authorized Officer giving effect to the action proposed to be taken and demonstrating in the current and each
succeeding Bond Year in which Bonds are scheduled to be Outstanding that amounts then expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by this Resolution to be on deposit in the Accounts for the payment of the principal and Redemption Price of and interest on the Bonds and Qualified Hedge Payments, if any, and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement, except that, to the extent specified in a Supplemental Resolution, an Account established in said Supplemental Resolution shall not be taken into account when preparing such Cash Flow Statement. The Cash Flow Statement shall set forth the assumptions upon which the estimates therein are based, which assumptions shall be based upon the Corporation’s reasonable expectations and which assumptions shall be based upon those assumptions set forth in the latest Cash Flow Statement or such other assumptions as shall not adversely affect any of the Rating Agency’s ratings on the Rated Bonds. In calculating the amount of interest due on Bonds in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding on Bonds bearing interest at a variable rate as defined in a Supplemental Resolution, the interest rate used shall be assumed to be the fixed rate, which in the judgment of the remarketing agent for such Bonds, or such other financial consultant selected by the Corporation and experienced in the sale of municipal securities (having due regard to the prevailing market conditions), would be necessary to enable such Bonds to be sold at par in the secondary market on the date of such calculation or such higher or lower rate which does not adversely affect any of the Rating Agency’s ratings on the Rated Bonds. Upon filing a Cash Flow Statement with the Trustee, the Corporation shall thereafter perform its obligations hereunder in accordance, in all material respects, with the assumptions set forth in such Cash Flow Statement. Except with respect to actions being taken contemporaneously with the delivery of a Cash Flow Statement, facts reflected in a Cash Flow Statement may be as of a date or reasonably adjusted to a date not more than 180 days prior to the date of delivery of such statement.

In lieu of filing a Cash Flow Statement, a Cash Flow Certificate may be filed in order to take the actions (a) described in clause (iii) of paragraph (A) of this Section 7.16 or (b) described in clause (v) of paragraph (A) of this Section 7.16 relating to amending Mortgage Loans but only if, in the judgment of the Corporation, such amendments do not materially adversely affect the cash flow projections contained in the last Cash Flow Statement. A Cash Flow Certificate shall consist of a statement of an Authorized Officer of the Corporation to the effect of one of the following:

(1) The proposed action is consistent with the assumptions set forth in the latest Cash Flow Statement; or

(2) After giving effect to the proposed action, in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, amounts expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by this Resolution to be on deposit in such Accounts for the payment of the principal and Redemption Price of and interest on the Bonds and Qualified Hedge Payments, if any, and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement, except that to the extent specified in a Supplemental Resolution an Account established in said Supplemental
Resolution shall not be taken into account in connection with such Cash Flow Certificate; or

(3) The proposed action will not in and of itself adversely affect the amounts expected to be on deposit in the Accounts in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, except with respect to such Accounts which may be specified in such Supplemental Resolution to not be taken into account in connection with such Cash Flow Certificate.
ARTICLE VIII
SUPPLEMENTAL RESOLUTIONS

Section 8.1. Supplemental Resolutions Effective Upon Filing With the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Corporation may be adopted, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer, shall be fully effective in accordance with its terms:

(1) to close this Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

(2) to add to the covenants and agreements of the Corporation in this Resolution other covenants and agreements to be observed by the Corporation which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(3) to add to the limitations and restrictions in this Resolution other limitations and restrictions to be observed by the Corporation which are not contrary to or inconsistent with this Resolution as then in effect;

(4) to surrender any right, power or privilege reserved to or conferred upon the Corporation by the terms of this Resolution, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Corporation contained in this Resolution;

(5) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of the Revenues or of any other revenues or assets;

(6) to modify any of the provisions of this Resolution in any respect whatever, but only if (A) there is delivered to the Trustee a Rating Confirmation with respect to such modification, or (B) (i) such modification shall be, and be expressed to be, effective only after all Bonds Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds authenticated and delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof;

(7) to provide for the issuance, execution, delivery, authentication, payment, registration, transfer and exchange of Bonds in coupon form payable to bearer;

(8) to authorize the issuance of a Series of Bonds in accordance with Sections 2.6 and 2.7 and to prescribe the terms and conditions thereof and any additional terms and conditions upon which such Bonds may be issued;
(9) to comply with regulations or rulings issued with respect to the Code to the extent determined as necessary or desirable in Bond Counsel's opinion;

(10) to pledge under this Resolution any additional collateral as further security for the Bonds or specific Series of Bonds, including, but not limited to, additional Mortgage Loans or other assets or revenues; and

(11) to appoint a trustee (other than the Trustee) with respect to any Subordinate Bonds.

Section 8.2. Supplemental Resolutions Effective Upon Consent of Trustee.
(A) For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer, and (ii) the filing with the Trustee and the Corporation of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(1) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution; or

(2) to insert such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable and are not contrary to or inconsistent with this Resolution as theretofore in effect;

(3) to provide for additional duties of the Trustee in connection with the Mortgage Loans; or

(4) to make any additions, deletions or modifications to the Resolution which, in the opinion of the Trustee, are not materially adverse to the interests of the Bond owners.

(B) Any such Supplemental Resolution may also contain one or more of the purposes specified in Section 8.1, and in that event, the consent of the Trustee required by this Section shall be applicable only to those provisions of such Supplemental Resolution as shall contain one or more of the purposes set forth in subsection (A) of this Section.

Section 8.3. Supplemental Resolutions Effective Upon Consent of Bond Owners. At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Bond owners in accordance with and subject to the provisions of Article IX. Any such Supplemental Resolution shall become fully effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer and upon compliance with the provisions of Article IX.

Section 8.4. General Provisions. (A) This Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article and Article IX. Nothing in this Article or Article IX contained shall affect or limit the right or obligation of the Corporation to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of
Section 7.7 or the right or obligation of the Corporation to execute and deliver to the Trustee any instrument which is to be delivered to the Trustee pursuant to this Resolution.

(B) Any Supplemental Resolution permitted or authorized by Section 8.1 or 8.2 may be adopted by the Corporation without the consent of any of the Bond owners, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution filed with the Trustee shall be accompanied by a Bond Counsel’s Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of this Resolution, is authorized or permitted by this Resolution, is valid and binding upon the Corporation, and, subject to bankruptcy, insolvency or other laws affecting creditors’ rights generally and general principles of equity, is enforceable in accordance with its terms.

(C) The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Section 8.1, 8.2 or 8.3 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of counsel (which may be a Bond Counsel’s Opinion) that such Supplemental Resolution is authorized or permitted by the provisions of this Resolution.

(D) No Supplemental Resolution shall change or modify any of the rights or obligations of the Trustee without the Trustee’s written assent thereto.
ARTICLE IX
AMENDMENTS

Section 9.1. Mailing and Publication of Notice of Amendment. Any provision in this Article for the mailing of a notice or other paper to Bond owners shall be fully complied with if it is mailed postage prepaid (i) to each registered owner of Bonds affected then Outstanding at such owner’s address, if any, appearing upon the registry books of the Corporation, and (ii) to the Trustee.

Section 9.2. Powers of Amendment. Any modification of or amendment to this Resolution and of the rights and obligations of the Corporation and of the owners of the Bonds hereunder, in any particular, may be made by a Supplemental Resolution, but only, in the event such Supplemental Resolution shall be adopted pursuant to Section 8.3, with the written consent given as provided in Section 9.3, (i) of the owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, and (ii) in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the owners of at least a majority in principal amount of the Bonds so affected and Outstanding at the time such consent is given; provided, however, that in addition to the foregoing and notwithstanding anything to the contrary contained herein, any modification of or amendment to a Supplemental Resolution authorizing the issuance of a Series of Bonds and of the rights and obligations of the Corporation and of the owners of the Bonds of such Series thereunder, in any particular, may, if no Bonds other than the Bonds of such Series are affected by the modification or amendment, be made by a Supplemental Resolution, but only, in the event such Supplemental Resolution shall be adopted pursuant to Section 8.3, with the written consent given as provided in Section 9.3, (i) of the owners of at least a majority in principal amount of the Bonds of such Series Outstanding at the time such consent is given, and (ii) in case less than all of the Bonds of such Series then Outstanding are affected by the modification or amendment, of the owners of at least a majority in principal amount of the Bonds of such Series so affected and Outstanding at the time such consent is given. If any such modification or amendment will not take effect so long as any Bonds of any specified Series and maturity remain Outstanding however, the consent of the owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond, or of any right or obligation to tender such Bond for purchase, or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. For the purposes of this Section, a Bond shall be deemed to be affected by a modification or amendment of this Resolution if the same adversely affects or diminishes the rights of the owner of such Bond. The Trustee may in its sole discretion determine whether or not in accordance with the foregoing powers of amendment any Bonds would be affected by any modification or amendment hereof and any such determination shall be binding and conclusive on the Corporation and all owners of Bonds.
Section 9.3. Consent of Bond Owners. (A) A copy of any Supplemental Resolution making a modification or amendment which is not permitted by the provisions of Section 8.1 or 8.2 (or a brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bond owners for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Corporation to the owners of any registered Bond or to any Bond owner who shall within the past two years have filed such owner’s name and address with the Trustee for such purpose. Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of owners of the percentages of Outstanding Bonds specified in Section 9.2 and (b) a Bond Counsel’s Opinion stating that such Supplemental Resolution has been duly and lawfully adopted by the Corporation in accordance with the provisions of this Resolution, is authorized or permitted hereby and is valid and binding upon the Corporation and enforceable in accordance with its terms (except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights generally and general principles of equity), and (ii) a notice shall have been mailed as hereinafter provided in this Section.

(B) The consent of a Bond owner to any modification or amendment shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 11.12. A Certificate by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with such Section 11.12 shall be conclusive that the consents have been given by the owners of the Bonds described in such Certificate of the Trustee. Any such consent shall be binding upon the owner of the Bonds giving such consent and upon any subsequent owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent owner thereof has notice thereof) unless such consent is revoked in writing by the owner of such Bonds giving such consent or a subsequent owner thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter provided for in this Section is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a Certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee.

(C) At any time after the owners of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Corporation and the Trustee a written statement that the owners of such required percentages of Bonds have filed such consents. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Corporation on a stated date, a copy of which is on file with the Trustee) has been consented to by the owners of the required percentages of Bonds and will be effective as provided in this Section, may be given to Bond owners by the Corporation by mailing such notice to the Bond owners not more than ninety days after the owners of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinafore provided for is filed. The Corporation shall file with the Trustee proof of the mailing of such notice. A record, consisting of the papers required or permitted by this Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Corporation, the Trustee and the owners of all Bonds at the expiration of forty days after the filing with the
Trustee of the proof of the mailing of the notice of such consent, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty day period, except that the Trustee and the Corporation during such forty day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

Section 9.4. Modifications by Unanimous Consent. The terms and provisions of this Resolution and the rights and obligations of the Corporation and of the owners of the Bonds hereunder may be modified or amended in any respect upon the adoption and filing by the Corporation of a Supplemental Resolution and the consent of the owners of all the Bonds then Outstanding, such consent to be given as provided in Section 9.3, but no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without the filing with the Trustee of the written assent thereto of the Trustee in addition to the consent of the Bond owners. No notice of any such modification or amendment either by mailing or publication shall be required to be given to Bond owners.

Section 9.5. Exclusion of Bonds. Bonds owned or held by or for the account of the Corporation shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the Corporation shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Corporation shall furnish the Trustee a Certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 9.6. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in Article VIII or this Article may and, if the Trustee so determines, shall bear a notation by endorsement or otherwise in form approved by the Corporation and the Trustee as to such action. In that case, upon demand of the owner of any Outstanding Bond at such effective date and presentation of his Bond for the purpose at the corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Corporation or the Trustee shall so determine, new Bonds modified to conform (in the opinion of the Trustee and the Corporation) to such action shall be prepared, executed, authenticated and delivered, and upon demand of the owner of any Bond then Outstanding shall be exchanged, without cost to such Bond owner, for Bonds of the same Series and maturity, then Outstanding, upon surrender of such Bonds.
ARTICLE X
DEFAULTS AND REMEDIES

Section 10.1. Events of Default. Each of the following events is hereby declared an “Event of Default” with respect to the Bonds:

(1) payment of the principal or Redemption Price, if any, of or interest on any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise, shall not be made when and as the same shall become due; or

(2) the Corporation shall fail or refuse to comply with the provisions of this Resolution or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained herein or in any applicable Supplemental Resolution or the Bonds, and such failure, refusal or default shall continue for a period of forty-five days after written notice thereof by the Trustee or the owners of not less than 5% in principal amount of the Outstanding Bonds (other than Subordinate Bonds).

Section 10.2. Remedies. (A) Upon the happening and continuance of any Event of Default specified in paragraph (1) of Section 10.1, the Trustee shall proceed, or upon the happening and continuance of any Event of Default specified in paragraph (2) of Section 10.1, the Trustee may proceed and, upon the written request of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), shall proceed, in its own name, subject to the provisions of Section 11.3, to protect and enforce the rights of the Bond owners by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bond owners, including the right to require the Corporation to receive and collect Revenues adequate to carry out the covenants and agreements as to the Mortgage Loans and to require the Corporation to carry out any other covenants or agreements with such Bond owners, including the assignment of the Mortgage Loans, and to perform its duties under the Act;

(2) by bringing suit upon the Bonds;

(3) by action or suit in equity, to require the Corporation to account as if it were the trustee of an express trust for the owners of the Bonds;

(4) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the owners of the Bonds;

(5) by declaring all Outstanding Bonds due and payable (provided that with respect to an Event of Default specified in clause (2) of Section 10.1, no such declaration shall be made without the consent of the owners of 100% in principal amount of the Outstanding Bonds (other than Subordinate Bonds)), and if all defaults shall be cured, then, with the written consent of the owners of not less than 25% in principal amount of
the Outstanding Bonds (other than Subordinate Bonds), by annulling such declaration and its consequences; or

(6) in the event that all Outstanding Bonds are declared due and payable, by selling Mortgage Loans and any Investment Securities securing such Bonds.

(B) In the enforcement of any rights and remedies under this Resolution, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Corporation for principal, Redemption Price, interest or otherwise, under any provisions of this Resolution or a Supplemental Resolution or of the Bonds with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bond owners, and to recover and enforce a judgment or decree against the Corporation for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorneys’ fees), and to collect from any monies available for such purpose, in any manner provided by law, the monies adjudged or decreed to be payable.

(C) Upon the occurrence of any Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bond owners under this Resolution, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and of the assets of the Corporation relating to the Bonds pending such proceedings, with such powers as the court making such appointment shall confer.

(D) Except upon the occurrence and during the continuance of an Event of Default hereunder, the Corporation hereby expressly reserves and retains the privilege to receive and, subject to the terms and provisions of this Resolution, to keep or dispose of, claim, bring suit upon or otherwise exercise, enforce or realize upon its rights and interest in and to the Mortgage Loans to which the Event of Default pertains and the proceeds and collections therefrom, and neither the Trustee nor any Bond owner shall in any manner be or be deemed to be an indispensable party to the exercise of any such privilege, claim or suit.

Section 10.3. Priority of Payments After Default. (A) In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of the principal or Redemption Price, if any, of and interest then due on the Bonds affected, such funds (other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to the Act and this Article, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the owners of such Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under this Resolution, shall be applied as follows:

(1) Unless the principal of all of such Bonds shall have become or have been declared due and payable:
FIRST: To the payment to the persons entitled thereto of all installments of interest then due (other than with respect to Subordinate Bonds) and of Qualified Hedge Payments in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

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

THIRD: To the payment to the persons entitled thereto of all installments of interest then due with respect to Subordinate Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

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

FIFTH: To the payment of any Subordinate Obligations then due, and, if the amounts available shall not be sufficient to pay in full all such Subordinate Obligations, then to the payment thereof ratably, according to the amounts due, to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of all such Bonds shall have become or have been declared due and payable, first to the payment of the principal and interest then due and unpaid upon such Bonds (other than Subordinate Bonds) and Qualified Hedge Payments without preference or priority among principal, interest and Qualified Hedge Payments, and without preference or priority of any installment of interest or Qualified Hedge Payments over any other installment of interest or Qualified Hedge Payments, or of any such Bond (other than Subordinate Bonds) over any other such Bond (other than Subordinate Bonds), ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds (other than Subordinate Bonds) or in the Qualified Hedges, and second, to the payment of the
principal and interest then due and unpaid upon the Subordinate Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Subordinate Bond over any other such Subordinate Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in such Subordinate Bonds, and third, to the payment of any Subordinate Obligations when due, ratably, according to the amounts due, to the persons entitled thereto, without any discrimination or preference.

(B) Whenever monies are to be applied by the Trustee pursuant to the provisions of this Section, such monies shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such monies available for application and the likelihood of additional monies becoming available for such application in the future. The deposit of such monies with the Trustee, or otherwise setting aside such monies in trust for the proper purpose, shall constitute proper application by the Trustee and the Trustee shall incur no liability whatsoever to the Corporation, to any Bond owner or to any other person for any delay in applying any such monies, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Resolution as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such monies, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the owner of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 10.4. Termination of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default has been discontinued or abandoned for any reason, then in every such case the Corporation, the Trustee and the Bond owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 10.5. Bond Owners’ Direction of Proceedings. Anything in this Resolution to the contrary notwithstanding, the owners of the majority in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bond owners not parties to such direction.

Section 10.6. Limitation on Rights of Bond Owners. (A) No owner of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law hereunder, or for the protection or enforcement of any right under this Resolution unless
such owner shall have given to the Trustee written notice of the Event of Default or breach of
duty on account of which such suit, action or proceeding is to be taken, and unless the owners of
not less than 25% in principal amount of the Bonds then Outstanding (other than Subordinate
Bonds) shall have made written request of the Trustee after the right to exercise such powers or
right of action, as the case may be, shall have occurred, and shall have afforded the Trustee a
reasonable opportunity either to proceed to exercise the powers herein granted or granted under
the law or to institute such action, suit or proceeding in its name and unless, also, there shall have
been offered to the Trustee reasonable security and indemnity against the costs, expenses
(including legal fees and expenses) and liabilities to be incurred therein or thereby, and the
Trustee shall have refused or neglected to comply with such request within a reasonable time;
and such notification, request and offer of indemnity are hereby declared in every such case, at
the option of the Trustee, to be conditions precedent to the execution of the powers under this
Resolution or for any other remedy provided hereunder or by law. It is understood and intended
that no one or more owners of the Bonds hereby secured shall have any right in any manner
whatever by his or their action to affect, disturb or prejudice the security of this Resolution, or to
enforce any right hereunder or under law with respect to the Bonds or this Resolution, except in
the manner herein provided, and that all proceedings at law or in equity shall be instituted, had
and maintained in the manner herein provided and for the benefit of all owners of the
Outstanding Bonds. Nothing contained in this Article shall affect or impair the right of any
Bond owner to enforce the payment of the principal of and interest on such owner’s Bonds, or
the obligation of the Corporation to pay the principal of and interest on each Bond issued
hereunder to the owner thereof at the time and place in said Bond expressed.

(B) Anything to the contrary notwithstanding contained in this Section, or any
other provision of this Resolution, each owner of any Bond by such owner’s acceptance thereof
shall be deemed to have agreed that any court in its discretion may require, in any suit for the
enforcement of any right or remedy under this Resolution or any Supplemental Resolution, or in
any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any
party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such
court may in its discretion assess reasonable costs, including reasonable pre-trial, trial and
appellate attorneys’ fees, against any party litigant in any such suit, having due regard to the
merits and good faith of the claims or defenses made by such party litigant; but the provisions
of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any
Bond owner, or group of Bond owners, holding at least 25% in principal amount of the Bonds
Outstanding (other than Subordinate Bonds), or to any suit instituted by any Bond owner for the
enforcement of the payment of any Bond on or after the respective due date thereof expressed in
such Bond.

Section 10.7. Possession of Bonds by Trustee Not Required. All rights of action
under this Resolution or under any of the Bonds, enforceable by the Trustee, may be enforced by
it without the possession of any of the Bonds or the production thereof on the trial or other
proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall
be brought in its name for the benefit of all the owners of such Bonds, subject to the provisions
of this Resolution.

Section 10.8. Remedies Not Exclusive. No remedy herein conferred upon or
reserved to the Trustee or to the owners of the Bonds is intended to be exclusive of any other
remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 10.9. **No Waiver of Default.** No delay or omission of the Trustee or of any owner of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein and every power and remedy given by this Resolution to the Trustee and the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 10.10. **Notice of Event of Default.** The Trustee shall give to the Bond owners notice of each Event of Default hereunder known to the Trustee within ninety days after actual knowledge by the Trustee of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice. However, except in the case of default in the payment of the principal or Redemption Price, if any, of or interest on any of the Bonds, or in the making of any payment required to be made into the Bond Proceeds Account, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the interest of the Bond owners. Each such notice of Event of Default shall be given by the Trustee by mailing written notice thereof: (i) to all registered owners of Bonds, as the names and addresses of such owners appear upon the books for registration and transfer of Bonds as kept by the Trustee, and (ii) to such other persons as may be required by law.
ARTICLE XI

CONCERNING THE TRUSTEE

Section 11.1. Appointment and Acceptance of Duties of Trustee. (A) U.S. Bank National Association is appointed as Trustee, and shall signify its acceptance of the duties and obligations of the Trustee hereunder by executing and delivering to the Corporation a written instrument of acceptance.

(B) The Trustee is hereby vested with all the rights, powers and duties of a Trustee permitted to be appointed by Bond owners pursuant to the Act and the right of Bond owners to appoint a trustee pursuant to the Act is hereby abrogated as permitted by the Act.

Section 11.2. Responsibility of Trustee. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Corporation and the Trustee does not assume any responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or in respect of the security afforded by this Resolution, and the Trustee shall not incur any responsibility in respect thereof. The Trustee shall be responsible for the performance only of such duties as are specifically set forth herein, and no duty shall be implied from any provision hereof. The Trustee shall, however, be responsible for its representations contained in its certificate on the Bonds. The Trustee shall not be under any responsibility or duty with respect to the issuance of the Bonds for value or the application of the proceeds thereof or the application of any monies paid to the Corporation. The Trustee shall not be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own monies, unless properly indemnified to its satisfaction. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful default.

Section 11.3. Evidence on Which the Trustee May Act. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be of counsel to and/or an employee of the Corporation, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, including payment of monies out of any Account, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate signed by an Authorized Officer, and such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof, but in its sole discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable. Neither the Trustee nor any successor Trustee shall be liable to the Corporation, the owners of any of the Bonds or any other person for any act or omission done or omitted to be done by such Trustee in reliance upon any instruction, direction or certification received by the Trustee pursuant to this Resolution or for any act or omission done or omitted in
good faith and without willful or reckless misconduct. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Corporation to the Trustee shall be sufficiently executed if executed in the name of the Corporation by an Authorized Officer.

Section 11.4. **Compensation.** The Corporation shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Resolution and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution and the Trustee shall have a lien therefor on any and all funds (except for funds on deposit in or required to be deposited in the Rebate Fund and except as otherwise provided in a Supplemental Resolution with respect to funds held in an Account established under such Supplemental Resolution) at any time held by it under this Resolution. The Corporation further agrees to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or willful default.

Section 11.5. **Permitted Acts and Functions.** The Trustee may become the owner of any Bonds, with the same rights it would have if it were not the Trustee. The Trustee may act as depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond owners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Resolution, whether or not any such committee shall represent the owners of a majority in principal amount of the Bonds then Outstanding. The Trustee may be an underwriter in connection with the sale of the Bonds or of any other securities offered or issued by the Corporation or any political subdivision thereof.

Section 11.6. **Resignation of Trustee.** A Trustee may at any time resign and be discharged of the duties and obligations created by this Resolution by giving not less than sixty days' written notice to the Corporation and mailing notice thereof specifying the date when such resignation shall take effect, to each of the registered owners, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed, as provided in Section 11.8, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, no such resignation shall take effect until a successor Trustee has been appointed.

Section 11.7. **Removal of Trustee.** A Trustee shall be removed by the Corporation if at any time so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Corporation and signed by the owners of a majority in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) or their attorney-in-fact duly authorized, excluding any Bonds held by or for the account of the Corporation. The Corporation may remove the Trustee at any time, except during the existence of an Event of Default, for such cause as shall be determined in the sole discretion of the Corporation by filing with the Trustee an instrument signed by an Authorized Officer.

Section 11.8. **Appointment of Successor Trustee.** (A) In case at any time a Trustee shall resign or shall be removed or shall become incapable of acting, or shall be
adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of a Trustee, or of its property or affairs, the Corporation covenants and agrees that it will thereupon appoint a successor Trustee. The Corporation shall, in whichever manner it deems most economical, either (i) publish notice of any such appointment made by it in Authorized Newspapers, such publication to be made within twenty (20) days after such appointment, or (ii) mail notice of any such appointment made by it to the registered owners of the Bonds, at their last addresses, if any, appearing upon the registry books.

(B) If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five days after the Trustee shall have given to the Corporation written notice, as provided in Section 11.6, or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the owner of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(C) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a trust company or bank having the powers of a trust company within or outside the State, having capital surplus and undivided profits aggregating at least $100,000,000 if there be such a trust company or bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

Section 11.9. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Corporation, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all monies, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee, but the Trustee ceasing to act shall nevertheless, on the request of the Corporation, or of its successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Corporation be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Corporation. Upon the effectiveness of the resignation or removal of the Trustee, such Trustee's authority to act pursuant to this Resolution shall terminate and such Trustee shall have no further responsibility or liability whatsoever for performance of this Resolution as Trustee.

Section 11.10. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting
from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all its corporate trust business, provided such company shall be a trust company or bank which is qualified to be a successor to the Trustee under Section 11.8 and shall be authorized by law to perform all the duties imposed upon it by this Resolution, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding.

Section 11.11. Adoption of Authentication. In case any of the Bonds shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated, and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Bonds or in this Resolution provided that the certificate of authentication of the Trustee shall have.

Section 11.12. Evidence of Signatures of Bond Owners and Ownership of Bonds.

(A) Any request, consent or other instrument which this Resolution may require or permit to be signed and executed by the Bond owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Bond owners in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any person of the Bonds shall be sufficient for any purpose of this Resolution (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may nevertheless in its sole discretion require further or other proof in cases where it deems the same desirable. The fact and date of the execution by any Bond owner or such owner’s attorney of such instrument may be proved by the Certificate, which need not be acknowledged or verified, of an officer of a bank or trust company, financial institution or other member of the Financial Industry Regulatory Authority, Inc. satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgements of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Bond owner may be established without further proof if such instrument is signed by a person purporting to be the president or vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

(B) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

(C) Any request, consent or vote of the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Corporation or any fiduciary in accordance therewith.

Section 11.13. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Resolution or any Supplemental Resolution (or microfilm, microcard or similar photographic reproduction thereof) shall be retained in its
possession and shall be subject at all reasonable times to the inspection of the Corporation and any Bond owner and their agents and their representatives, any of whom may make copies thereof.
ARTICLE XII

DEFEASANCE

MISCELLANEOUS PROVISIONS

Section 12.1. **Defeasance.** (A) If the Corporation shall pay or cause to be paid to the owners of all Bonds then Outstanding the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of any Revenues and other monies, securities, funds and property hereby pledged and all other rights granted hereby shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Corporation, execute and deliver to the Corporation all such instruments as may be desirable to evidence such discharge and satisfaction and the Trustee shall pay over or deliver to the Corporation all monies or securities held by it pursuant to this Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

(B) Bonds or interest installments for the payment or redemption of which monies shall have been set aside and shall be held in trust by the Trustee (through deposit by the Corporation of funds for such payment or redemption or otherwise) at the maturity or Redemption Date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this Section. Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all Outstanding Bonds of any Series shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this Section if: (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee in form satisfactory to it irrevocable instructions to give as provided in Article VI notice of redemption on said date of such Bonds, (ii) there shall have been set aside and shall be held in trust by the Trustee (through deposit by the Corporation of funds for such payment or redemption or otherwise) either (a) monies in an amount which shall be sufficient, or (b) Government Obligations or (c) obligations (1) validly issued by or on behalf of a state or political subdivision thereof, and (2) fully secured by a first lien on Government Obligations, the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if any, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty days, the Corporation shall have given the Trustee in form satisfactory to it irrevocable instructions to give by mail, as soon as practicable, notice to the owners of such Bonds that the deposit required by this subsection has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturity or Redemption Date upon which monies are to be available for the payment of the principal or Redemption Price, if any, on said Bonds. To the extent required for the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds, neither monies deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to this Section shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if any, of and interest on said Bonds;
provided that any cash received from such principal or interest payments on such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to this Section, if not then needed for such purpose, shall, to the extent practicable, be reinvested in obligations described in clauses (b) or (c) above maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if any, of and interest to become due on said Bonds on and prior to such Redemption Date or maturity date thereof, as the case may be, and, if not required for the payment of such Bonds, any monies deposited with the Trustee pursuant to this Section and principal and interest payments on the obligations described in clauses (b) or (c) above shall be paid over to the Corporation, as received by the Trustee, free and clear of any trust, lien or pledge. The Trustee may sell, transfer or otherwise dispose of the obligations described in clauses (b) and (c) above deposited with the Trustee pursuant to this Section; provided that the amounts received upon any such sale, transfer or other disposition, or a portion of such amounts, shall be applied to the purchase of other obligations described in clauses (b) and (c) above, the principal of and the interest on which when due will provide monies which, together with the monies on deposit with the Trustee, shall be sufficient to pay when due the principal or Redemption Price, if applicable, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, in accordance with this Section.

(C) If, through the deposit of monies by the Corporation or otherwise, the Trustee shall hold, pursuant to this Resolution, monies sufficient to pay the principal and interest to maturity on all Bonds, or in the case of Bonds in respect of which the Corporation shall have taken all action necessary to redeem prior to maturity, sufficient to pay the Redemption Price and interest to such Redemption Date, then at the request of the Corporation, all monies shall be held by the Trustee for the payment or the redemption of Bonds.

(D) Amounts held by the Trustee for the payment of principal or Redemption Price of, or interest on, Bonds held by particular Bond owners with respect to which no claim for payment has been made shall be disposed of as provided by applicable law, or if there shall be no such applicable law, shall be returned to the Corporation three years after the date on which payment of such amounts would have been due.

Section 12.2. No Recourse Under Resolution or on Bonds. All covenants, stipulations, promises, agreements and obligations of the Corporation contained in this Resolution shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer or employee of the Corporation in such person’s individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or on this Resolution against any member, officer or employee of the Corporation or any natural person executing the Bonds.

Section 12.3. Consent of Credit Facility Provider Where Bondowner Consent Required. If so provided in a Supplemental Resolution authorizing a Series of Bonds, so long as the Credit Facility Provider with respect to a Credit Facility is not in default of any of its obligations under such Credit Facility, such Credit Facility Provider (i) may be deemed to be the owner of the Bonds of any Series which receives the benefits of such Credit Facility at all times for the purpose of the execution and delivery of a Supplemental Resolution or any amendment,
change or modification to this Resolution and (ii) may initiate any action which may be initiated by Bondowners under this Resolution to be undertaken by the Trustee at the Bondowner’s request which under this Resolution requires the written approval or consent of or can be initiated by the owners of Bonds of the applicable Series at the time Outstanding; provided, however, that no such amendment, change, modification or action shall permit a change in the terms of redemption or maturity of principal or of any installment of interest thereon, or a change in the terms of any right or obligation to tender such Bond for purchase, or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, without the consent of the actual owner of such Bond, or shall reduce the percentages of Bonds, the consent of the owner of which is required to effect such amendment, change or modification or initiate such action, without the consent of the actual owner of such Bonds.

Section 12.4. Effective Date. This Resolution shall take effect upon the filing of a certified copy hereof with the Trustee.
Housing Impact Bonds
Bond Resolution

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ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

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