New York City Housing Development Corporation

Multi-Family Mortgage Revenue Bonds
(Borden Avenue Development)
Bond Resolution

Adopted
Multi-Family Mortgage Revenue Bonds  
(Borden Avenue Development)  
Bond Resolution

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EXHIBIT B - FORM OF PARTICIPANT LETTER
Multi-Family Mortgage Revenue Bonds  
(Borden Avenue Development)  
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.

"Accountant" means such reputable and experienced independent certified public accountant or firm of independent certified public accountants as may be selected by the Corporation and satisfactory to the Trustee and may be the accountant or firm of accountants who regularly audit the books and accounts of the Corporation.

"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.

"Act of Bankruptcy" means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the Mortgagor, the members of the Mortgagor, the Corporation, the Obligor or the Credit Issuer, as and if applicable, under any applicable bankruptcy, insolvency, reorganization or similar law, now or hereafter in effect.

"Additional Bonds" means Bonds, other than the 2012/13/14 Bonds, authorized pursuant to Section 2.8 hereof.

"Administrative Fee" means the [administrative and servicing] fee of the Corporation in the amount set forth in the Financing Commitment and Agreement, dated [_______], of the Corporation, accepted and agreed to by the Mortgagor, as the same may be amended or supplemented from time to time, plus the amount specified in a Supplemental Resolution in connection with the issuance of Additional Bonds.

"Alternate Security" means, with respect to a Series of Bonds, any instrument in effect and purpose similar to the Letter of Credit, including, but not limited to, a letter of credit, guaranty, standby loan commitment, bond or mortgage insurance policy, standby purchase agreement, credit enhancement instrument, credit enhancement agreement, collateral agreement
or surety bond, mortgage backed security or other credit or liquidity facility, or any combination thereof, (i) approved by the Corporation and delivered to the Trustee for the benefit of the owners of such Series of Bonds (except that a mortgage insurance policy may be delivered to the Corporation), (ii) replacing any existing Credit Facility, (iii) dated as of a date not later than the expiration date of the Credit Facility for which the same is to be substituted, if a Credit Facility is then in effect, (iv) which shall expire not earlier than a date which is fifteen (15) days after an Interest Payment Date for such Series of Bonds, and (v) issued on substantially similar terms and conditions with respect to the rights of the owners of such Series of Bonds (including, but not limited to, the Mandatory Purchase Provision) as the then existing Credit Facility with respect to such Series of Bonds, provided that (a) the stated amount of the Alternate Security shall equal the sum of (x) the aggregate principal amount of Bonds of such Series at the time Outstanding, plus (y) during a Daily Rate Period or Weekly Rate Period or less, an amount at least equal to thirty-four (34) days of interest (at the Maximum Rate) on all Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, or during a Flexible Rate Period, an amount at least equal to 275 days of interest (at the Maximum Rate) on all Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, or during a Term Rate Period or the Fixed Rate Period, such amount of interest as the Corporation shall determine based on then current rating agency standards, and (b) if said Alternate Security is to be in effect during a Daily Rate Period or Weekly Rate Period, it must provide for payment of the Purchase Price upon the exercise by any Bond owner with respect to such Series of Bonds of the applicable Demand Purchase Option.

"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 (5) days in each calendar week, which is of general circulation in the Borough of Manhattan, City and State of New York.

"Authorized Officer" means, (a) when used with respect to the Corporation, the Chairperson, Vice-Chairperson, President, any Executive Vice President or any 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; (b) when used with respect to the Mortgagor, the members of the Mortgagor then authorized to act for the Mortgagor and, in the case of any act to be performed or duty to be discharged, any other officer or employee of the Mortgagor then authorized to perform such act or discharge such duty; (c) when used with respect to the Trustee, any Vice President or Assistant Vice President of the Trustee then authorized to act for the Trustee and, in the case of any act to be performed or duty to be discharged, any other officer or employee of the Trustee then authorized to perform such act or discharge such duty; and (d) when used with respect to any Credit Issuer, any officer or employee of the Credit Issuer designated, by name or official title, in writing to the Corporation and the Trustee.

"Available Moneys" means, during the term of any Credit Facility, (i) moneys drawn under such Credit Facility, or (ii) moneys deposited into the Accounts established under this Resolution or moneys deposited directly by the Mortgagor with the Trustee, which moneys, in either case, have been on deposit with the Trustee for at least 365 days during and prior to which no Act of Bankruptcy with respect to the Mortgagor, the members of the Mortgagor or the
Corporation shall have occurred; provided, however, that if the Trustee shall have received a written opinion of nationally recognized counsel experienced in bankruptcy matters and acceptable to the Trustee to the effect that payments made to Bond owners with moneys on deposit with the Trustee for a number of days less than that set forth above during which no Act of Bankruptcy with respect to the Mortgagor, the members of the Mortgagor or the Corporation shall have occurred would not constitute an avoidable preference under Section 547 of the Bankruptcy Reform Act of 1978, as amended, or would not be subject to an automatic stay under Section 362 of the Bankruptcy Reform Act of 1978, as amended, or would not be considered part of the estate of the depositor under Section 541 of the Bankruptcy Reform Act of 1978, as amended, then the number of days specified in such opinion shall be substituted for the 365 days in this definition, or (iii) the proceeds from investment of moneys qualifying as Available Moneys under clause (i) or (ii) above, or (iv) the proceeds of Additional Bonds; provided, however, that with respect to the proceeds of Additional Bonds, the Trustee shall have received a written opinion of nationally recognized counsel experienced in bankruptcy matters and acceptable to the Trustee to the effect that payments made to Bond owners with such proceeds would not constitute an avoidable preference under Section 547 of the Bankruptcy Reform Act of 1978, as amended, or would not be subject to an automatic stay under Section 362 of the Bankruptcy Reform Act of 1978, as amended, or would not be considered part of the estate of the depositor under Section 541 of the Bankruptcy Reform Act of 1978, as amended. Notwithstanding the foregoing, (a) when used with respect to amounts due in respect of Pledged Bonds, the term “Available Moneys” shall mean any amounts held by the Trustee and the proceeds of the investment thereof, except for moneys drawn under a Credit Facility and (b) during any period in which no Credit Facility is in effect, “Available Moneys” shall mean any moneys.

“Beneficial Owner” means, whenever used with respect to a 2012 Series A Bond, a 2012 Series B Bond, 2013 Series A Bond or 2014 Series A Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant or such person’s subrogee.

“Bond” means one of the bonds to be authenticated and delivered pursuant to this Resolution.

“Bond Counsel to the Corporation” means 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 after consultation with the Credit Issuer and the Mortgagor, and satisfactory to the Trustee.

“Bond Counsel’s Opinion” means an opinion signed by Bond Counsel to the Corporation.

“Bond owner” or “owner” or “Bondholder” or “holder” 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 anniversary of the date of issuance of a Series of Bonds in any year.

“Business Day” means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which the Federal Reserve Bank of New York (or other agent acting as the Credit Issuer’s fiscal agent identified to the Trustee) is authorized or obligated by law or executive order to remain closed, (d) a day on which the permanent home office of the Obligor or the Credit Issuer, as applicable, is closed, (e) a day on which (i) banking institutions located in the City or in the city in which the Principal Office of the Trustee, the Tender Agent or the Remarketing Agent is located are authorized or obligated by law or executive order to be closed or (ii) the New York Stock Exchange is authorized or obligated by law or executive order to be closed, or (f) so long as any Series of Bonds is held in book-entry form, a day on which DTC is closed.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor of DTC with respect to the 2012 Series A Bonds, the 2012 Series B Bonds, the 2013 Series A Bonds or the 2014 Series A Bonds.

“Certificate” means (a) 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 (b) the report of an accountant as to audit or other procedures called for by this Resolution.

“Change Date” means, with respect to a Series of the 2012/13/14 Bonds, (i) an Interest Method Change Date or (ii) a Facility Change Date or (iii) any date on which a new Mortgage Purchase Agreement replaces the prior Mortgage Purchase Agreement or Credit Facility or (iv) two (2) Business Days before any date on which the Mortgage Purchase Agreement terminates or expires and is not extended or replaced by a new Mortgage Purchase Agreement or a Credit Facility or (v) a date specified by the Credit Issuer pursuant to the provisions of Section 10.3(A)(8) hereof for carrying out a purchase of a Series of the 2012/13/14 Bonds of such Series pursuant to Section 801 of Appendix A or Appendix B hereto, as the case may be, or Section 801 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, or (vi) a date specified by the Corporation pursuant to the provisions of Section 105 of Appendix A or Appendix B hereto, as the case may be, or Section 105 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, for carrying out a purchase of a Series of the 2012/13/14 Bonds of such Series pursuant to Section 801 of Appendix A or Appendix B hereto, as the case may be, or Section 801 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, or (vii) a Discretionary Tender Date.

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


“Contingency Draw-Down Agreement” shall mean the Contingency Draw-Down Agreement among the Purchaser, the Mortgagor and the Trustee, and acknowledged by the Corporation, executed in connection with the issuance of a Series of the 2012/13/14 Bonds.
"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.

"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 underwriting discount or fee, printing costs, costs of preparation and reproduction of documents, filing and recording fees, State bond issuance charges, initial fees and charges of the Trustee, the Obligor and the Credit Issuer, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit rating(s), fees and charges for preparation, execution, transportation and safekeeping of Bonds, the financing fee of the Corporation, and any other cost, charge or fee in connection with the original issuance of Bonds.

"Credit Agreement" means the agreement between the Mortgagor and the Credit Issuer (and may include other parties) providing for the issuance of the Credit Facility.

"Credit Facility" means the Letter of Credit or Alternate Security, as the case may be, then providing for the timely payment of the principal of and interest on and Purchase Price, if applicable, of the Bonds.

"Credit Facility Payments" means amounts obtained under a Credit Facility with respect to the Bonds including, but not limited to, amounts drawn under the Letter of Credit.

"Credit Issuer" means the issuer of or obligor under the Credit Facility; provided, however, that if, pursuant to the Credit Agreement, the issuer of or obligor under the Credit Facility shall have appointed an agent on its behalf (which agent may, but need not, act on behalf of other parties as well) and given notice to the Corporation and the Trustee of such appointment, references herein to the Credit Issuer shall be deemed to refer to said agent, except that with respect to the issuance of such Credit Facility and the obtaining of amounts thereunder, references herein to the Credit Issuer shall be deemed to refer to such issuer or obligor under such Credit Facility.

"Daily Rate" means the rate of interest on a Series of the 2012/13/14 Bonds described in Section 201 of Appendix A or Appendix B hereto, as the case may be, or Section 201 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Daily Rate Period" means any period of time during which a Series of the 2012/13/14 Bonds bears interest at the Daily Rate.

"Daily Rate Term" means, with respect to a Series of the 2012/13/14 Bonds earning interest at the Daily Rate, the period from and commencing on a Business Day and including and ending on the first day preceding the first Business Day thereafter.

"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 Installment of such Bonds payable during such Bond Year.
“Demand Purchase Option” means, during a Daily Rate Period or Weekly Rate Period, the provision of the applicable Series of the 2012/13/14 Bonds for purchase of any such Bond upon the demand of the owner thereof as described in Section 802 of Appendix A or Appendix B hereto, as the case may be, or Section 802 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

“Determination Date” means the date which is one (1) Business Day prior to the next Reset Date.

“Discretionary Tender Date” means a date, specified by the Corporation (with the prior written consent of the Credit Issuer and the Mortgagor) in a written notice delivered to the Trustee, upon which all of [a Series of] the 2012/13/14 Bonds shall be subject to mandatory tender at the Purchase Price pursuant to Section 801 of Appendix A or Appendix B hereto, as the case may be, [and/or] Section 802 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution[, as the case may be] (which date shall not be earlier than fifteen (15) days following receipt by the Trustee of such written notice).

“DTC” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors or assigns.

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

“Event of Default” means any of the events specified in Section 10.2 hereof as an Event of Default.

“Event of Termination” means the event specified in Section 10.2 hereof as an Event of Termination.

“Facility Change Date” means (i) any date on which a Credit Facility replaces a Mortgage Purchase Agreement, or (ii) any date on which a new Credit Facility replaces the prior Credit Facility, or (iii) two (2) Business Days before any date on which the Credit Facility terminates or expires and is not extended or replaced by a new Credit Facility; provided, however, that if, in connection with the issuance of the 2013 Series A Bonds, the 2-14 Series A Bonds or any Additional Bonds, an existing Credit Facility is replaced or amended by a Credit Facility issued by the same Credit Issuer that had issued the then existing Credit Facility and such amended Credit Facility or replacement Credit Facility is issued on substantially identical terms and conditions with respect to the rights of the owners of the Bonds (including, but not limited to, the Mandatory Purchase Provision) as the then existing Credit Facility with respect to the Bonds, except that the stated amount of such amended Credit Facility or replacement Credit Facility shall reflect the issuance of such 2013 Series A Bonds, 2014 Series A Bonds or any Additional Bonds, then no Facility Change Date shall be deemed to have occurred as a result of such amendment or replacement so long as such amendment or replacement does not result in
the reduction or withdrawal of the then existing rating(s) on the Bonds by the national rating
agency or agencies then rating the Bonds.

“First Supplemental Resolution” means the First Supplemental Resolution
Relating to Multi-Family Mortgage Revenue Bonds (Borden Avenue Development), 2013 Series
A, adopted at the same meeting as this Resolution and becoming effective in accordance with the
terms and provisions of Article VIII of this Resolution.

“Fixed Rate” means the rate or rates of interest on a Series of the 2012/13/14
Bonds described in Section 701 of Appendix A or Appendix B hereto, as the case may be, or
Section 701 of Appendix A to each of the First Supplemental Resolution or the Second
Supplemental Resolution, as the case may be.

“Fixed Rate Change” means a change in the method of determining the interest
rate on a Series of the 2012/13/14 Bonds, as described in Section 701 of Appendix A or
Appendix B hereto, as the case may be, or Section 701 of Appendix A to each of the First
Supplemental Resolution or the Second Supplemental Resolution, as the case may be, with the
effect that after such change the applicable Series of the 2012/13/14 Bonds shall bear interest at
the Fixed Rate.

“Fixed Rate Conversion Date” shall have the meaning specified in Section 701(A)
of Appendix A or Appendix B hereto, as the case may be, or Section 701(A) of Appendix A to
each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case
may be.

“Fixed Rate Period” means the period of time, if any, during which a Series of the
2012/13/14 Bonds bear interest at the Fixed Rate.

“Flexible Rate” means the rate of interest on a Series of the 2012/13/14 Bonds
described in Section 501 of Appendix A or Appendix B hereto, as the case may be, or Section
501 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental
Resolution, as the case may be.

“Flexible Rate Period” means any period of time during which a Series of the
2012/13/14 Bonds bear interest at the Flexible Rate.

“Flexible Rate Start Date” shall have the meaning specified in Section 501 of
Appendix A or Appendix B hereto, as the case may be, or Section 501 of Appendix A to each of
the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

“Flexible Rate Term” shall have the meaning specified in Section 501(D) of
Appendix A or Appendix B hereto, as the case may be, or Section 501(D) of Appendix A to each of
the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

“Government Obligations” means (i) 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, and (ii) obligations of the Resolution Funding Corporation, including, but not limited to, obligations of the Resolution Funding Corporation stripped by the Federal Reserve Bank of New York.

“Index Rate” means the rate of interest on a Series of the 2012/13/14 Bonds described in Section 401 of Appendix A or Appendix B hereto, as the case may be, or Section 401 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

“Index Rate Period” means any period of time during which a Series of the 2012/13/14 Bonds bear interest at the Index Rate.


“Interest Adjustment Date” means each date on which a new Flexible Rate Term or Term Rate Term, as the case may be, begins as provided in Section 501(D) or Section 601(D), respectively, of Appendix A or Appendix B hereto, as the case may be, or Section 501(D) or Section 601(D), respectively, of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

“Interest Method Change Date” means any date on which the method of determining the interest rate on a Series of the 2012/13/14 Bonds changes, or which is an Interest Adjustment Date pursuant to Section 501(D) or Section 601(D), respectively, of Appendix A or Appendix B hereto, as the case may be, or Section 501(D) or Section 601(D), respectively, of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, as established by the terms and provisions of Appendix A or Appendix B hereto, as the case may be, or Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be; provided that an Interest Method Change Date may only occur on an Interest Payment Date during any Weekly Rate Period, or if such day is not a Business Day, the next succeeding Business Day, and may only occur on a Business Day immediately following any Term Rate Term.

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

“Interest Requirement” means (a) during a Daily Rate Period, Weekly Rate Period or Index Rate Period, thirty-five (35) days’ interest on the Bonds at the Maximum Rate, (b) during a Flexible Rate Period, an amount at least equal to 275 days of interest at the Maximum Rate, and (c) during a Term Rate Period or the Fixed Rate Period, 189 days’ interest on the Bonds at, respectively, the Term Rate or the Fixed Rate, as the case may be, or, in the case of either (a), (b) or (c), such other number of days as may be permitted or required by the Rating Agency.

“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-bearing 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 three 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 three highest rating categories of such rating service;

(6) any participation certificate of the Federal Home Loan Mortgage 
Corporation and any mortgage-backed securities of the Federal National Mortgage 
Association;

(7) short-term corporate obligations, known as Commercial Paper, with a 
maturity of up to ninety (90) days which are issued by corporations that are deemed by a 
nationally recognized rating service to be in the highest rating category of such rating 
service;

(8) obligations of the City or the State;

(9) obligations of the New York City Municipal Water Finance Authority;

(10) obligations, the principal and interest of which, are guaranteed by the City 
or the State;

(11) obligations in which the Comptroller of the State of New York is 
authorized to invest in as specified in Section 98 of the State Finance Law, as amended 
from time to time; or

(12) any other investment permitted under the Corporation’s investment 
guidelines adopted August 14, 1984, as amended from time to time.
"Letter of Representations" means, with respect to each Series of the 2012/13/14 Bonds, the Blanket Issuer Letter of Representations, dated April 26, 1996, from the Corporation to DTC, applicable to such Series of the 2012/13/14 Bonds.

"Loan Agreement" means the Construction and Project Loan Agreement, dated as of the date of initial issuance of the 2012 Bonds, by and between the Corporation and the Mortgagor, with respect to the Mortgage Loan, as the same may be amended or supplemented from time to time.

"Mandatory Purchase Provision" means the purchase provision described in Section 801 of Appendix A or Appendix B hereto, as the case may be, or Section 801 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Maximum Rate" means, for each Series of the 2012/13/14 Bonds, twelve percent (12%) per annum or such higher rate as may be established in accordance with the provisions of Section 101 of Appendix A or Appendix B hereto, as the case may be, or Section 101 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Mortgage" means, collectively, the mortgages or other instruments securing the Mortgage Loan, as the same may be amended, modified or supplemented from time to time.

"Mortgage Documents" means, collectively, (a) the Mortgage and (b) the Mortgage Note, each dated the date of initial issuance of the 2012 Bonds.

"Mortgage Loan" means, collectively, the interest-bearing loan or loans, evidenced by the Mortgage Note, to be made by the Corporation to the Mortgagor pursuant to the Loan Agreement, as the same may be amended, modified or supplemented from time to time.

"Mortgage Note" means, collectively, the note or notes of the Mortgagor evidencing the obligation to repay the Mortgage Loan, as the same may be amended, modified or supplemented from time to time.

"Mortgage Participation" means, collectively, a participation or participations by another party or other parties in the Mortgage Loan, pursuant to a Participation Agreement complying with Section 7.16 hereof.

"Mortgage Purchase Agreement" means a Mortgage Purchase Agreement by and among the Corporation, the Obligor, the Trustee and the Mortgagor, as the same may be amended, modified or supplemented from time to time, pursuant to which the Obligor agrees to purchase the Mortgage and the Mortgage Note upon the occurrence of certain events described therein.

"Mortgage Purchase Agreement Default" shall have the meaning specified in Section 10.14 hereof.
"Mortgagor" means, HPS Borden Avenue LIHTC Associates LLC, a limited
liability company organized and existing under and by virtue of the laws of the State of New
York, and its successors and permitted transferees as owner of the Project.

"Mortgagor Tax Certification" means, with respect to a Series of Bonds to which
the covenants in Section 7.9 hereof are applicable, the tax certification of the Mortgagor
delivered to the Corporation and Bond Counsel to the Corporation in connection with the
issuance of such Series of Bonds.

"Negative Arbitrage Account" means the Negative Arbitrage Account established
pursuant to this Resolution.

"Non-Bond Mortgage" means, collectively, the mortgage or mortgages or other
instruments securing the loan made by the Corporation to the Mortgagor on the date of issuance
of the 2012 Bonds with funds other than the proceeds of Bonds for the development of the
Project.

"Notice of Prepayment of the Retained Portion of the Mortgage Loan" means the
notice delivered to the Trustee by the Corporation pursuant to the provisions of Section 105 of
Appendix A or Appendix B hereto, as the case may be, or Section 105 of Appendix A to each of
the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be,
with respect to the Mortgagor's election to prepay, in full, the portion of the Retained Portion of
the Mortgage Loan relating to all Series of the 2012/13/14 Bonds bearing interest at the Daily
Rate or the Weekly Rate during any Daily Rate Period or Weekly Rate Period.

"Obligor" means the Initial Obligor or any other obligor under a Mortgage
Purchase Agreement, and each of its successors and assigns.

"Outstanding", when used with reference to Bonds, means, as of any date, all
Bonds theretofore or thereupon being authenticated and delivered under this 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, except during a
Daily Rate Period or Weekly Rate Period, either:

(a) Available Moneys in an amount sufficient to effect payment of the
principal or applicable Redemption Price thereof, together with accrued interest
on such Bond (at the applicable Flexible Rate or Rates during a Flexible Rate
Period or at the Term Rate or the Fixed Rate during a Term Rate Period or the
Fixed Rate Period, respectively) 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 moneys to such payment or redemption on the date so
specified; or
(b) obligations, as described in Section 12.1(B) hereof, in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond (at the applicable Flexible Rate or Rates during a Flexible Rate Period or at the Term Rate or the Fixed Rate during a Term Rate Period or the Fixed Rate Period, respectively) 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 moneys 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 hereof; and

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

"Participants" means those broker-dealers, banks and other financial institutions for which DTC holds a Series of the 2012/13/14 Bonds as securities depository.

"Participation Agreement" means an agreement to be entered into between the Corporation and any other party or parties acquiring a Mortgage Participation in the Mortgage Loan, as amended or supplemented from time to time.

"Permitted Encumbrances" means such liens, encumbrances, declarations, reservations, easements, rights-of-way and other clouds on title as do not materially impair the use or value of the premises for the intended purposes.

"Pledge Agreement" means any instrument from the Mortgagor to the Credit Issuer (and which may include other parties) or an agent acting on behalf of the Credit Issuer (and such other parties, if any) pursuant to which the Mortgagor agrees to pledge 2012/13/14 Bonds to the Credit Issuer (and, if applicable, such other parties) in connection with the provision of moneys under a Credit Facility.

"Pledged Bond" means any 2012/13/14 Bond pledged to the Credit Issuer pursuant to the Pledge Agreement in connection with the provision of moneys under the Credit Facility and as described in Section 804 of Appendix A or Appendix B hereto, as the case may be, or Section 804 of each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Pledged Receipts" means (i) the scheduled or other payments required by the Mortgage Loan and paid to or to be paid to the Corporation from any source, including both timely and delinquent payments, (ii) accrued interest, if any, received upon the initial issuance of the Bonds, (iii) payments made under a Mortgage Purchase Agreement, if any, with respect to regularly scheduled principal and interest due under the Mortgage Loan, and (iv) all income earned or gain realized in excess of losses suffered on any investment or deposit of moneys in
the Accounts established and maintained pursuant to this Resolution, but shall not mean or include amounts required to be deposited into the Rebate Fund, Recoveries of Principal, any Escrow Payments, late charges or any amount entitled to be retained by the Servicer (which may include the Corporation), as administrative, financing, extension or settlement fees of the Servicer or the Credit Issuer.

"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 Section 5.4(E) hereof, 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.

"Principal Office", (i) when used with respect to the Trustee, shall mean [_________], (ii) when used with respect to the Tender Agent, shall mean the same address as that of the Trustee or the address of any successor Tender Agent appointed in accordance with the terms of this Resolution, and (iii) when used with respect to the Remarketing Agent, shall have the meaning set forth in the applicable Remarketing Agreement, or such other offices designated to the Corporation in writing by the Trustee, Tender Agent or Remarketing Agent, as the case may be.

"Private Placement or Direct Sale Bond Purchase Agreement" means, with respect to any 2012/13/14 Bonds to be remarketed on a private placement or direct sale basis to one or more Purchasers, the Private Placement or Direct Sale Bond Purchase Agreement, by and between the Corporation and such Purchasers, as the same may be amended or supplemented from time to time, or any replacement thereof.

"Project" means the multi-family rental housing development to be located at Borden Avenue, in the Borough and County of Queens, City and State of New York.

"Purchase Price" means an amount equal to one hundred percent (100%) of the principal amount of any 2012/13/14 Bond, plus accrued and unpaid interest thereon to the date of purchase.

"Purchaser" means any bank, national bank, trust company, savings bank, savings and loan association, insurance company, governmental agency of the United States, or any wholly-owned subsidiary or combination thereof, purchasing any 2012/13/14 Bonds pursuant to a Private Placement or Direct Sale Bond Purchase Agreement.

"Rating Agency" means each national rating agency which had originally rated the Bonds at the request of the Corporation and is then maintaining a rating on the Bonds.

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

"Rebate Fund" means the Rebate Fund established pursuant to this Resolution.

"Record Date" means (i) during any Daily Rate Period, Weekly Rate Period or Flexible Rate Period, the Business Day immediately preceding any Interest Payment Date, (ii) during any Index Rate Period, the fifteenth (15th) day next preceding an Interest Payment Date and (iii) during any Term Rate Period or the Fixed Rate Period, that day which is the fifteenth (15th) day of the calendar month preceding any Interest Payment Date.

"Recoveries of Principal" means all amounts received by the Corporation or the Trustee as or representing a recovery of the principal amount disbursed by the Trustee in connection with the 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 of the Retained Portion of the Mortgage Loan (including the sale of the Retained Portion of the Mortgage Loan pursuant to a Mortgage Purchase Agreement) or Mortgage Documents other than the assignment by the Corporation effected by the Assignment; (iii) the acceleration of payments due under the Mortgage Loan or other remedial proceedings taken in the event of default on the Mortgage Loan or Mortgage; (iv) proceeds of any insurance award resulting from the damage or destruction of the Project which are to be applied to payment of the Mortgage Note pursuant to the Mortgage; or (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, the Project or any portion thereof, which proceeds are to be applied to payment of the Mortgage Note pursuant to the Mortgage.

"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.

"Regulatory Agreement" means the Regulatory Agreement, dated as of the date of initial issuance of the 2012 Bonds, by and between the Corporation and the Mortgagor, as the same may be amended, restated or supplemented from time to time.

"Remaining Bond Proceeds Account" means the Remaining Bond Proceeds Account established pursuant to this Resolution.

"Remaining Bond Proceeds Account Earnings Subaccount" means the Remaining Bond Proceeds Account Earnings Subaccount established pursuant to this Resolution.
"Remarketing Agent" means, with respect to a Series of the 2012/13/14 Bonds, a remarketing agent appointed by an Authorized Officer of the Corporation, which signifies its acceptance of such appointment and the duties and obligations of Remarketing Agent hereunder and under the related Remarketing Agreement by executing and delivering such Remarketing Agreement, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party, or any successor Remarketing Agent appointed by an Authorized Officer of the Corporation, which signifies its acceptance of such appointment and the duties and obligations of Remarketing Agent hereunder and under the related Remarketing Agreement by executing and delivering such Remarketing Agreement.

"Remarketing Agreement" means, with respect to a Series of the 2012/13/14 Bonds, the Remarketing Agreement to be entered into by and among the Corporation and the applicable Remarketing Agent or Agents thereunder, as the same may be amended or supplemented from time to time, or any replacement thereof.

"Remarketing Proceeds Purchase Account" means the Remarketing Proceeds Purchase Account set forth in Section 803 of Appendix A or Appendix B hereto, as the case may be, or Section 803 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Reset Date" means (i) with respect to the Index Rate Period in effect immediately following the issuance and delivery of a Series of the 2012/13/14 Bonds, the date of such issuance and delivery of such Series of the 2012/13/14 Bonds and Thursday of each week thereafter during such Index Rate Period (or, if the immediately preceding Determination Date is not a Business Day, the next succeeding Business Day), (ii) with respect to any Index Rate Period following another Index Rate Period, Thursday of any week (or, if the immediately preceding Determination Date is not a Business Day, the next succeeding Business Day) and (iii) with respect to any Index Rate Period that does not follow another Index Rate Period, the Interest Method Change Date with respect thereto.

"Resolution" means this Bond Resolution and any amendments or supplements made in accordance with its terms.

"Retained Portion" means, when used in conjunction with the Mortgage Note, the Mortgage or the Mortgage Loan, the portion thereof that is not subject to any Mortgage Participation.

"Revenue Account" means the Revenue Account established pursuant to this Resolution.

"Revenues" means the Pledged Receipts and Recoveries of Principal.

"S&P" means Standard & Poor's Ratings Services, a Division of The McGraw Hill Companies, Inc., and its successors and assigns, if such successors and assigns shall continue to perform the functions of a securities rating agency.

"Second Supplemental Resolution" means the Second Supplemental Resolution Relating to Multi-Family Mortgage Revenue Bonds (Borden Avenue Development), 2014 Series
A, adopted at the same meeting as this Resolution and becoming effective in accordance with the terms and provisions of Article VIII of this Resolution.

“Series” means the 2012 Series A Bonds, the 2012 Series B Bonds, the 2013 Series A Bonds or any series of Additional Bonds.

“Servicer” means any person appointed to service the Mortgage Loan in accordance with Section 7.11 hereof.

“Sinking Fund Payment” means, with respect to a particular Series of Bonds, as of any particular date of calculation, the amount required to be paid in all events by the Corporation on a single future date for the retirement of Outstanding Bonds of such Series 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.

“Substitute Letter of Credit” means, with respect to a Series of Bonds, an irrevocable letter of credit delivered to the Trustee for the benefit of the owners of the Bonds (i) issued by a bank approved by the Corporation, provided that the approval by the Corporation shall not be unreasonably withheld, (ii) replacing any existing Letter of Credit, (iii) dated as of a date not later than the expiration date of the Letter of Credit for which the same is to be substituted, (iv) which shall expire on a date not earlier than fifteen (15) days after an Interest Payment Date for such Series of Bonds, and (v) issued on substantially identical terms and conditions with respect to the rights of the owners of such Series of Bonds (including, but not limited to, the Mandatory Purchase Provision) as the then existing Letter of Credit with respect to such Series of Bonds, except that the stated amount of the Substitute Letter of Credit shall equal the sum of (x) the aggregate principal amount of such Series of Bonds at the time Outstanding, plus (y) during a Daily Rate Period or Weekly Rate Period, an amount equal to at least thirty-four (34) days of interest (at the Maximum Rate) on all Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, or during a Flexible Rate Period, an amount at least equal to 275 days of interest (at the Maximum Rate) on all Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, or during a Term Rate Period or the Fixed Rate Period, such amount of interest as the Corporation shall determine based on then current rating agency standards. The term “Substitute Letter of Credit” shall not include any replacement, amendment or modification of an existing Letter of Credit provided by the then-existing Credit Issuer in connection with the issuance of the 2013 Series A Bonds or the 2014 Series A Bonds, as the case may be.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the Corporation and effective in accordance with Article VIII hereof.

“Tender Agent” means a tender agent appointed by an Authorized Officer of the Corporation, which signifies its acceptance of such appointment and the duties and obligations of Tender Agent hereunder and under the related Tender Agent Agreement by executing and
delivering such Tender Agent Agreement, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party, or any successor Tender Agent appointed by an Authorized Officer of the Corporation, which signifies its acceptance of such appointment and the duties and obligations of Tender Agent hereunder and under the related Tender Agent Agreement by executing and delivering such Tender Agent Agreement.

"Tender Agent Agreement" means, with respect to a Series of Bonds, the agreement to be entered into among the Trustee, the Tender Agent, the Corporation and the applicable Remarketing Agent or Agents, as the same may be amended or supplemented from time to time, or any replacement thereof.

"Tender Date" means any Change Date or any other date on which 2012/13/14 Bond owners are permitted hereunder to tender their 2012/13/14 Bonds for purchase.

"Term Rate" means the rate of interest on a Series of the 2012/13/14 Bonds described in Section 601 of Appendix A or Appendix B hereto, as the case may be, or Section 601 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Term Rate Period" means any period of time during which a Series of the 2012/13/14 Bonds bear interest at the Term Rate.

"Term Rate Start Date" shall have the meaning specified in Section 601(A) of Appendix A or Appendix B hereto, as the case may be, or Section 601(A) of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Term Rate Term" shall have the meaning specified in Section 601(D) of Appendix A or Appendix B hereto, as the case may be, or Section 601(D) of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"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.


"2012 Series A Bonds" means the Bonds authorized to be issued pursuant to Section 2.4 hereof.

"2012 Series B Bonds" means the Bonds authorized to be issued pursuant to Section 2.4 hereof.

"2012/13/14 Bonds" means, collectively, the 2012 Bonds and the 2013 Series A Bonds.

"2013 Series A Bonds" means the Bonds authorized to be issued pursuant to the First Supplemental Resolution.
"2014 Series A Bonds" means the Bonds authorized to be issued pursuant to the Second Supplemental Resolution.

"Undelivered Bonds" means (i) with respect to the Mandatory Purchase Provision, any 2012/13/14 Bonds which have not been delivered to the Tender Agent for purchase on or prior to the Change Date, or (ii) with respect to the Demand Purchase Option, any 2012/13/14 Bonds not delivered to the Tender Agent for purchase after notice of tender within the time period prescribed by this Resolution.

"Weekly Effective Rate Date" means, (i) with respect to a Weekly Rate Term that does not follow another Weekly Rate Term, the Interest Method Change Date with respect thereto, and (ii) with respect to any Weekly Rate Term following another Weekly Rate Term, Wednesday of any week.

"Weekly Rate" means the rate of interest on a Series of the 2012/13/14 Bonds described in Section 301 of Appendix A or Appendix B hereto, as the case may be, or Section 301 of Appendix A to each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

"Weekly Rate Period" means any period of time during which a Series of the 2012/13/14 Bonds bear interest at the Weekly Rate.

"Weekly Rate Term" means, with respect to a Series of the 2012/13/14 Bonds earning interest at the Weekly Rate, the period commencing on a Weekly Effective Rate Date and terminating on the earlier of the last calendar day prior to the Weekly Effective Rate Date of the following Weekly Rate Term, or the last calendar day prior to a Change Date.

"Wrongful Dishonor" means (i) an uncured and willful default by the Credit Issuer, or (ii) an uncured default resulting from the gross negligence of the Credit Issuer, in each case, of its obligations to honor a drawing as required pursuant to the terms of the Credit Facility and the Credit Agreement.

Section 1.3. Interpretation. (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, limited liability companies, associations, 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) 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;

(8) 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;

(9) 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;

(10) any moneys, 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;

(11) when used in this Resolution, if an action is specified to occur on a certain 
day, the term "day" shall mean a Business Day, unless the context requires otherwise;

(12) 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; and

(13) with respect to a Credit Facility, the term "draw" or "drawing" shall refer to obtaining funds under such Credit Facility.

(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, the Tender Agent, the Mortgagor, the Credit Issuer 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, the Tender Agent, the Mortgagor, the Credit Issuer 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 Loan in conflict with this Resolution 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 the Mortgage Loan.

(E) 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. All references to Appendix A or Appendix B, the First Supplemental Resolution or the Second Supplemental Resolution which do not specify the document to which such Appendices or Supplemental Resolutions relate shall be deemed to refer to Appendix A or Appendix B to this Resolution or to the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.
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, 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 to carry out powers expressly given in the Act, 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.

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 equal 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.

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. In addition, the Bonds shall be payable from Credit Facility Payments. The Bonds shall contain 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 the City shall be liable thereon, nor shall the Bonds be payable out of any funds of the Corporation other than those of the Corporation pledged therefor.

(B) The Revenues relating to the Retained Portion of the Mortgage Loan and all amounts held in any Account, including investments thereof, are hereby pledged to the Trustee for the benefit of the Bond owners to secure the payment of the principal or Redemption Price of and interest on the Bonds (including the Sinking Fund Payments for the retirement thereof), all in accordance with their terms and the provisions of this Resolution and the Assignment, subject only to the provisions of this Resolution and the Assignment permitting the use and application thereof for or to the purposes and on the terms and conditions herein and therein set forth, including payment to the Credit Issuer, as provided herein and therein. The foregoing pledge does not include (i) amounts on deposit or required to be deposited in the
Rebate Fund or (ii) moneys in the Bond Proceeds Account or the Revenue Account relating to Mortgage Participations, if any. 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.

(C) To secure the payment of the principal or Redemption Price of and interest on the Bonds (including the Sinking Fund Payments for the retirement thereof) and in consideration of the provision by the Credit Issuer of the Credit Facility, the Corporation does hereby, (i) so long as a Mortgage Purchase Agreement is in effect, pledge to the Trustee for the benefit of the Bond owners and, (ii) so long as a Mortgage Purchase Agreement is no longer in effect, assign to the Trustee for the benefit of the Bond owners all of its right, title and interest in and to the Retained Portion of the Mortgage Loan, including but not limited to all rights to receive payments on the Mortgage Note, including all proceeds of insurance or condemnation awards. The Retained Portion of the Mortgage Loan shall immediately be subject to the lien of such pledge or assignment, as applicable, 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, Designation, Principal Amount and Purpose of Bonds. (A) In order to provide sufficient funds to finance a portion of the Project and to pay certain costs related thereto, 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, Section 2.9 and, if applicable, Section 2.8 hereof, are satisfied.

(B) The Corporation hereby authorizes the issuance of Multi-Family Mortgage Revenue Bonds (Borden Avenue Development), 2012 Series A in the aggregate principal amount of $[__________] for the purpose of making a deposit into the Bond Proceeds Account in order to finance a portion of the Retained Portion of the Mortgage Loan. The Corporation is of the opinion and hereby determines that the issuance of the 2012 Series A Bonds in the said amount is necessary to provide sufficient funds for such purpose.

(C) The Corporation hereby authorizes the issuance of Multi-Family Mortgage Revenue Bonds (Borden Avenue Development), 2012 Series B in the aggregate principal amount of $[__________] for the purpose of making a deposit into the Bond Proceeds Account in order to finance a portion of the Retained Portion of the Mortgage Loan. The Corporation is of the opinion and hereby determines that the issuance of the 2012 Series B Bonds in the said amount is necessary to provide sufficient funds for such purpose.

(D) Unless otherwise specified in a Supplemental Resolution, the Bonds shall bear the title “Multi-Family Mortgage Revenue Bonds (Borden Avenue Development)” and an appropriate Series designation.
(E) For so long as a Credit Facility shall be in effect for any Series of the 2012/13/14 Bonds, all Series of the 2012/13/14 Bonds must be secured by the same Credit Facility; provided that the Credit Facility shall not secure Pledged Bonds.

Section 2.5. Issuance and Delivery of Bonds. After their authorization by the Corporation, Bonds 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, Section 2.9 and, if applicable, Section 2.8 hereof, the Trustee shall thereupon authenticate and deliver such Bonds 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 upon the order of the Corporation, but only upon the receipt by the Trustee of:

(1) a copy of this Resolution and, if applicable, a Supplemental Resolution authorizing such Bonds, certified by an Authorized Officer of the Corporation, 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 making of deposits into the Bond Proceeds Account, (ii) the making of deposits in the amounts, if any, required or permitted by this Resolution into the Revenue Account, (iii) the refunding of Bonds, (iv) the funding of the repurchase by the Corporation of Mortgage Participations, if any, theretofore acquired by another party or other parties in accordance with a Participation Agreement or (v) any combination of the foregoing;

(c) the dated dates and maturity dates of such Bonds;

(d) the interest rate or rates on 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 hereof, the manner of appointing and designating the same;

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

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

(i) provisions for the sale of such Bonds;
(j) provisions concerning the forms of such Bonds, and of the Trustee's certificate of authentication; and

(k) 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, if any, 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, if applicable, such Supplemental Resolution, create the valid pledge and lien which it or they purport to create of and on the Revenues and all the Accounts established hereunder 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 of the Corporation;

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

(5) with respect to the 2012 Series A Bonds, the 2012 Series B Bonds, the 2013 Series A Bonds and the 2014 Series A Bonds, a Mortgage Purchase Agreement, or if required with respect to any Additional Bonds, a Credit Facility or Mortgage Purchase Agreement;

(6) with respect to the 2012 Series A Bonds, the 2012 Series B Bonds, the 2013 Series A Bonds and the 2014 Series A Bonds, executed copies of the Loan Agreement, the Regulatory Agreement, the Mortgage and the Mortgage Note, and with respect to any Additional Bonds, such documents as are specified in the Supplemental Resolution authorizing same; and

(7) such further documents and moneys as are required by the provisions of Article VIII hereof or any Supplemental Resolution adopted pursuant to Article VIII hereof.

Section 2.7. Terms of Bonds; Redemption at the Option of the Corporation upon the Occurrence of Certain Events. (A) The 2012/13/14 Bonds shall be dated, shall mature, shall bear interest, shall be subject to redemption and purchase, and shall have such other characteristics as set forth in Appendix A or Appendix B hereto, as the case may be, or in each of
the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be. Additional Bonds shall contain such terms and provisions as are specified in the Supplemental Resolution authorizing the same.

(B) Notwithstanding the redemption provisions set forth in Appendix A or Appendix B hereto, as the case may be, or in Appendix A to the First Supplemental Resolution, so long as a Mortgage Purchase Agreement is in effect with respect to the Bonds, all Outstanding Bonds are subject to redemption, at the option of the Corporation, in whole, at any time prior to maturity, upon (i) the purchase by the Obligor of the Retained Portion of the Mortgage Loan pursuant to Section 10.13 hereof, (ii) the termination of such Mortgage Purchase Agreement or (iii) the occurrence of a Mortgage Purchase Agreement Default, in all cases at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Outstanding Bonds, plus accrued interest to the Redemption Date. In the event of a redemption pursuant to this Section 2.7(B), all Outstanding Bonds shall be deemed paid on the Redemption Date and shall be delivered to the Trustee for cancellation.

(A) Additional Bonds may be issued, at the option of the Corporation, on a parity with the Bonds then Outstanding, for the purposes of (i) financing increases in the Retained Portion of the Mortgage Loan, (ii) refunding Bonds, (iii) establishing reserves for such Additional Bonds, (iv) paying the Costs of Issuance related to such Additional Bonds and (v) funding the repurchase by the Corporation of Mortgage Participations, if any, theretofore acquired by another party or other parties in accordance with a Participation Agreement. Additional Bonds shall contain such terms and provisions as are specified in the Supplemental Resolution authorizing the same. The Supplemental Resolution authorizing such Additional Bonds shall utilize, to the extent possible, Accounts established for the Outstanding Bonds.

(B) The 2013 Series A Bonds may be issued, at the option of the Corporation, on a parity with the Bonds then Outstanding, for the purposes and in accordance with the provisions of the First Supplemental Resolution. The 2014 Series A Bonds may be issued, at the option of the Corporation, on a parity with the Bonds then Outstanding, for the purposes and in accordance with the provisions of the Second Supplemental Resolution. For so long as a Mortgage Purchase Agreement or Credit Facility shall be in effect for any Series of the 2012/13/14 Bonds, no other Series of the 2012/13/14 Bonds or Additional Bonds (other than refunding Bonds which provide for the payment of all Outstanding 2012/13/14 Bonds and any Additional Bonds) shall be issued unless such Bonds are secured by the same Mortgage Purchase Agreement or Credit Facility, as the case may be, then in effect for such Series of 2012/13/14 Bonds, as and to the same extent as the such Series of the 2012/13/14 Bonds, as such Mortgage Purchase Agreement or Credit Facility, as the case may be, shall be amended, extended or replaced in connection with the issuance of such other Series of the 2012/13/14 Bonds or Additional Bonds; provided that neither the Mortgage Purchase Agreement nor the Credit Facility shall secure Pledged Bonds.

Section 2.9. Tax Certifications. No Bonds shall be issued until the Corporation and Bond Counsel to the Corporation shall have received, in form and substance satisfactory to them, those portions of the Mortgagor Tax Certification required to be delivered on or prior to the date of issuance of the particular Series of Bonds.
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) During a Daily Rate Period, a Weekly Rate Period, an Index Rate Period or a Flexible Rate Period, all 2012/13/14 Bonds of the applicable Series shall be in the denomination of $100,000 or any $5,000 increment in excess of $100,000. During a Term Rate Period or the Fixed Rate Period, all 2012/13/14 Bonds of the applicable Series shall be in the denomination of $5,000 or any whole multiple thereof. Additional Bonds shall be in such denominations as are specified by the Supplemental Resolution authorizing same.

(C) The principal of and interest on the 2012/13/14 Bonds shall be due and payable on the dates set forth in Appendix A or Appendix B hereto, as the case may be, or in each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, and the principal of and interest on any Additional 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 (i) Appendix C hereto, in the case of the 2012 Series A Bonds, Appendix D hereto, in the case of the 2012 Series B Bonds and Appendix A to each of the First Supplemental Resolution and the Second Supplemental Resolution, respectively, in the case of the 2013 Series A Bonds and the 2014 Series A Bonds, and (ii) the Supplemental Resolution authorizing any Additional Bonds, in the case of any Additional Bonds, in each case with such necessary and appropriate variations, omissions and insertions as are permitted or required by Appendix A or Appendix B hereto, as the case may be, or by each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, in the case of the 2012/13/14 Bonds, and by the Supplemental Resolution authorizing any Additional Bonds, in the case of any Additional Bonds; provided that there shall be substituted for any 2012/13/14 Bond maturing after a Change Date, a new 2012/13/14 Bond, in such form as shall be approved by the Corporation, containing such terms and provisions as are required by Appendix A or Appendix B hereto, as the case may be, or by each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be.

(E) All Bonds shall bear interest from their delivery date unless a contrary date is established in the Supplemental Resolution pursuant to which such Bonds are issued. Bonds issued subsequent to the initial delivery date shall bear interest from the later of such date or the most recent date to which interest has been paid in full on the Bonds. All Bonds shall be dated the date of their authentication hereunder, except that unless there has been an Event of Default in payment of the Bonds, all Bonds issued during the period from the Record Date up to and including the next succeeding Interest Payment Date shall be dated as of the date of such next succeeding Interest Payment Date.
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 hereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity and any of the authorized denominations.

Section 3.4. **Negotiability, Transfer and Registry; [Transfer and Participation Restrictions].** (A) 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, registration of 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 registration of 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.

(B) On and after any Facility Change Date, the Trustee shall not permit the registration of transfer of any Bonds to any person other than the Obligor, the Credit Issuer, the Mortgagor or the members of the Mortgagor or any party controlling the Obligor, the Credit Issuer, the Mortgagor or the members of the Mortgagor, until such time as the Trustee receives (i) a Credit Facility with respect to the 2012/13/14 Bonds, or (ii) notice from the Corporation of its election to provide no Credit Facility with respect to the 2012/13/14 Bonds in accordance with and subject to the provisions of Section 104(D) of Appendix A or Appendix B hereto, as the case may be, or Section 104(D) of each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be. The Corporation shall not purchase or hold any 2012/13/14 Bonds except for the purpose of presenting such Bonds to the Trustee for cancellation.

(C) Subject to the provisions of Section 804 of Appendix A or Appendix B hereto, as the case may be, or Section 804 of each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, the Trustee shall not permit the registration of transfer of any Pledged Bonds until such time as the Trustee receives written notice from the Credit Issuer that the Credit Facility has been reinstated by an amount at least equal to the sum of (x) the aggregate principal amount of Pledged Bonds to be transferred plus (y) an amount of interest on such Pledged Bonds to be transferred at least equal to the same number of days of interest (at the Maximum Rate) at the time provided for all other 2012/13/14 Bonds of such Series Outstanding. Upon receipt of any such notice from the Credit Issuer, the Trustee shall furnish a copy thereof to the applicable Tender Agent, whereupon the Tender Agent may release such Bonds.
(D) **TO BE DISCUSSED:** So long as the Mortgage Purchase Agreement remains in effect with respect to the Bonds, the Bonds may be sold to a bank, national bank, trust company, savings bank, savings and loan association, or any wholly-owned subsidiary thereof, as such terms are used in Section 23-a(3) of the Act, that is also a Qualified Institutional Buyer as defined in Rule 144A of the Securities Act of 1933, as amended, that is authorized to do business in the State of New York and that shall first have delivered to the Trustee a letter substantially in the form of Exhibit A hereto [and Exhibit A to Supplemental Resolutions]; that (a) assumes the obligations of the Bank under the Mortgage Purchase Agreement, (b) is itself purchasing all of the Bonds Outstanding for its own account and not with a view to the resale or distribution thereof and acknowledges that it has conducted its own review of the credit for the Bonds and further promises to require such assurances from any succeeding purchaser, (c) is approved by the Corporation (such approval not to be unreasonably withheld) and (d) agrees to be bound by the Resolution transfer provisions.

(E) **TO BE DISCUSSED:** So long as the Mortgage Purchase Agreement remains in effect with respect to the Bonds, and for so long as Citibank retains the obligation under the Mortgage Purchase Agreement and the right to and is required to call back and own the Bonds prior to the expiration of the 10 day period following a Mortgage Purchase Agreement Event of Default, the Bonds may be sold to any entity that (a) is a wholly-owned subsidiary of Citibank, (b) is approved by the Corporation (such approval not to be unreasonably withheld), (c) is itself purchasing all of the Bonds Outstanding for its own account and not with a view to the resale or distribution thereof and acknowledges that it has conducted its own review of the credit for the Bonds and that it has not relied upon the Corporation for any information in connection with the purchase of the Bonds and that no offering document or other offering material has been prepared or will be prepared by or on behalf of the Corporation in connection with the purchase of the Bonds, (d) acknowledges that it will not rely upon the Corporation for any information in connection with the sale of any derivative security based on the income of the Bonds, will not prepare any offering document or other offering material on behalf of the Corporation in connection with the sale of any derivative security based on the income of the Bonds, and any offering document or other offering material prepared in connection with the sale of any derivative security based on the income of the Bonds will include the following language: [final language to come but to the following effect: The security is not a debt of the New York City Housing Development Corporation, and the New York City Housing Development Corporation shall not be liable thereon, nor shall any payment be payable from any funds of the Corporation and (d) agrees to no subsequent transfers.]

(F) **TO BE DISCUSSED:** The Purchaser shall be entitled to sell a participation interest in the Bonds and the Mortgage Purchase Agreement (a "Participation"), but only to the extent, and subject to, the following conditions:

1. as among the Corporation, the Trustee and the Purchaser, the Purchaser shall remain one hundred percent (100%) liable for its obligations under the Mortgage Purchase Agreement and shall remain the beneficial owner of all of the Bonds Outstanding;

2. the Participation must be for both a principal amount of the Bonds Outstanding of at least [One Million Dollars ($1,000,000)] and a corresponding portion of the Purchaser’s obligations under the Mortgage Purchase Agreement;
(3) the entity to which each Participation is sold, including subsequent sales, if any, must be a bank, national bank, trust company, savings bank, savings and loan association, or any wholly-owned subsidiary thereof, as such terms are used in Section 23-c(3) of the Act, that is also a Qualified Institutional Buyer as defined in Rule 144A of the Securities Act of 1933, as amended, that is authorized to do business in the State of New York and that shall first have delivered to the Trustee a letter substantially in the form of Exhibit B hereto [and Exhibit B to Supplemental Resolutions]; and

(4) the Purchaser pays to the Corporation, on the date of any sale of a Participation, a fee equal to five hundredths of one percent (0.05%) of the aggregate principal amount of the Bonds that are subject to such Participation.]

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 such registered owner’s duly authorized attorney. Upon the registration of 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, 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 registered 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. The Corporation shall not be obliged to make any such exchange or transfer of Bonds (i) as to which the owner thereof has exercised the Demand Purchase Option from the date of such exercise until (but not including) the date designated for purchase of such Bonds, (ii) during the fifteen (15) days preceding an Interest Payment Date on such Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption; provided, however, that the foregoing clauses (ii) and (iii) shall not apply to the registration or registration of transfer of any Bond which has been tendered
to the Tender Agent for purchase, and, in any such case, for purposes of selection for redemption, the Bond so tendered and the Bond issued to the transferee thereof shall be deemed and treated as the same Bond.

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 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 3.7 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 any authorized denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. 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 hereby or 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 of the Corporation 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 of the Corporation, 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 Appendix C hereto, in the case of the 2012 Series A Bonds, Appendix D hereto, in the case of the 2012 Series B Bonds, and Appendix A to each of the First Supplemental Resolution and the Second Supplemental Resolution, respectively, in the case of the 2013 Series A Bonds and the 2014 Series A Bonds, 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. The foregoing notwithstanding, if the Tender Agent for Bonds of a Series is not the Trustee, such Tender Agent shall also be authorized to exchange, transfer, authenticate and deliver Bonds of such Series, and shall inform the Trustee of any such action taken and provide for the registration of such Bonds on the books of the Corporation.

(C) In the event any 2012/13/14 Bond is deemed purchased by the Tender Agent as provided in Section 801 or 802 of Appendix A or Appendix B hereto, as the case may be, or Section 801 or 802 of each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, but is not physically delivered to the Tender Agent, the Corporation shall immediately execute and the Trustee shall immediately authenticate a new Bond of like Series and denomination as that deemed purchased.
ARTICLE IV

APPLICATION, CUSTODY AND INVESTMENT OF
BOND PROCEEDS AND OTHER AMOUNTS

Section 4.1. Application of Bond Proceeds, Accrued Interest and Premium. The proceeds of sale of a Series of Bonds, shall, as soon as practicable upon the delivery of such Bonds by the Trustee, 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 a Certificate of an Authorized Officer of the Corporation, and the amount, if any, received as accrued interest shall be deposited in the Revenue Account;

2. with respect to any Series issued for the purpose of refunding Bonds, 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, 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;

4. with respect to the 2012/13/14 Bonds, the balance remaining after such deposits have been made as specified in (1) above shall be deposited in the Bond Proceeds Account; and

5. with respect to any Series (other than the 2012/13/14 Bonds) issued for a purpose other than refunding Bonds, the balance remaining after such deposits have been made shall be deposited in the Bond Proceeds Account.

Section 4.2. Financing of the Mortgage Loan; Conditions Precedent. Amounts in the Bond Proceeds Account shall not be disbursed for financing the Retained Portion of the Mortgage Loan, including either advances during construction or permanent financing thereof, as applicable, unless:

1. prior to the payment of the first requisition of amounts on deposit in the Bond Proceeds Account, the Mortgage Documents and any other document evidencing or securing the 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;

2. prior to the payment of the first requisition of amounts on deposit in the Bond Proceeds Account, there shall have been filed with the Trustee, an opinion of counsel, who may be counsel to the Corporation, to the effect that the Mortgage Loan complies with all provisions of the Act and this Resolution;
(3) prior to the payment of any requisition of amounts on deposit in the Bond Proceeds Account, 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 Trustee, and, for so long as the Credit Facility is in effect, the Credit Issuer, as their interests may appear, a first mortgage lien, subject only to Permitted Encumbrances, on the real property securing the Mortgage Loan;

(4) prior to the payment of the first requisition of amounts on deposit in the Bond Proceeds Account, the Project is insured against loss by fire and other hazards as required by the Corporation; such insurance shall be in an amount necessary to prevent the Corporation from becoming a co-insurer and in any event in an amount at least equal to the lesser of (i) eighty per centum (80%) of the insurable value of the Project or (ii) the unpaid principal balance of the Mortgage Loan. Such policy shall be endorsed with the standard mortgagee clause with loss payable to the Corporation or the Trustee and, for so long as the Credit Facility is in effect, the Credit Issuer, as their interests may appear;

(5) prior to the payment of the requisition of any portion of the final ten percent (10%) of amounts deposited in the Bond Proceeds Account from all Series of the 2012/13/14 Bonds, the Corporation and Bond Counsel to the Corporation receive, and shall notify the Trustee that they have received, a Certificate of the Mortgagor satisfactory to them that (i) the Mortgagor has complied with the Mortgagor Tax Certification delivered on or prior to the date of issuance of the applicable Series of Bonds, and (ii) the Mortgagor will be able to deliver or cause delivery of the Accountant’s and Architect’s Certificate for Final Draw-Down of Funds and the Developer’s Certificate as to Use of Loan Proceeds (each as set forth in the Mortgagor Tax Certification) at the time of final draw-down in form and substance substantially the same as the certificates specified in the Mortgagor Tax Certification and delivered on or prior to the date of issuance of the applicable Series of Bonds; and

(6) prior to the payment of the final requisition of amounts on deposit in the Bond Proceeds Account from all Series of the 2012/13/14 Bonds, the Corporation and Bond Counsel to the Corporation have received, and shall notify the Trustee that they have received, the Accountant’s and Architect’s Certificate for Final Draw-Down of Funds and the Developer’s Certificate as to Use of Loan Proceeds (each as set forth in the Mortgagor Tax Certification) in form and substance satisfactory to them.

Section 4.3. Deposits. (A) In order to permit amounts held by the Trustee under this Resolution to be available for use at the time when needed, any such amounts may, if and as directed in writing by the Corporation, be deposited in the corporate trust department of the Trustee which may honor checks and drafts on such deposit with the same force and effect as if it were not the Trustee. The Trustee shall allow and credit on such amounts at least such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

(B) All amounts deposited by the Trustee pursuant to subsection (A) above shall be continuously and fully secured (a) by lodging with the Trustee as custodian, as collateral
security, Investment Securities having a market value (exclusive of accrued interest) not less than the amount of such deposit, and (b) in such other manner as may then be required by applicable Federal or state laws and regulations regarding security for the deposit of public funds. It shall not be necessary, unless required by applicable law, for the Trustee to give security under this Section 4.3 for the deposit of any amounts to the extent that such deposit is insured by the Federal Deposit Insurance Corporation, or its successor, or which are held in trust and set aside by the Trustee for the payment of any Bonds, or for the Trustee to give security for any moneys which shall be represented by obligations or certificates of deposit (of issuers other than the Trustee) purchased as an investment of such moneys.

(C) All amounts so deposited by the Trustee shall be credited to the particular Account from which such amounts were derived.

Section 4.4. Investment of Certain Funds. (A) Subject to the right of the Corporation to direct the investment or deposit of funds hereunder, moneys in any Account shall be continuously invested and reinvested or deposited and redeposited by the Trustee in the highest yield Investment Securities that may be reasonably known to the Trustee, or deposited and redeposited as provided in Section 4.3 hereof, 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. The Corporation shall (except as provided below) direct the Trustee to invest and reinvest the moneys 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 moneys are needed to be expended; provided, however, that the Corporation shall have no such right to direct the investment of moneys in the Credit Facility Payments Sub-Account except in accordance with the provisions of Section 4.6 hereof. 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.

(B) Investment Securities purchased as an investment of moneys in any Account held by the Trustee under the provisions of this 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 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 (other than the Credit Facility Payments Sub-Account) 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, at the direction of the Corporation, sell at the best price obtainable, or present for redemption or exchange, any Investment Security purchased by it pursuant to this Resolution whenever it shall be necessary in order to provide moneys 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 (20th) day of each calendar month, of all investments held for the credit of each Account in its custody under the provisions of this Resolution as of the end of the preceding month.

(E) 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 this Resolution for any other coin or currency of the United States of America or Investment Securities of like amount.

Section 4.5. Valuation and Sale of Investments. (A) In computing the amount in any Account, obligations purchased as an investment of moneys therein shall be valued at amortized value 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 of the Corporation to do so or whenever it shall be necessary in order to provide moneys 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.

Section 4.6. Limit on Investment of Credit Facility Payments Sub-Account. Any other provision of this Resolution notwithstanding, amounts on deposit in the Credit Facility Payments Sub-Account, pending application, may only be invested in Government Obligations maturing or being redeemable at the option of the holder thereof in the lesser of thirty (30) days or the times at which such amounts are needed to be expended.
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 (including the Credit Facility Payments Sub-Account therein); and

(3) Redemption Account.

In the event provision is made for an Alternate Security with respect to the Bonds, the Trustee may establish a special trust account with an appropriate designation, and the provisions of this Resolution applicable to the Credit Facility Payments Sub-Account shall be applicable to the newly created trust account in all respects as if the newly created trust account replaced the Credit Facility Payments Sub-Account.

(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. All moneys or securities held by the Trustee pursuant to this Resolution shall be held in trust and applied only in accordance with the provisions of this Resolution and the Act.

(C) Earnings on all Accounts required to be deposited into the Rebate Fund shall be deposited, at least as frequently as the end of each fifth (5th) Bond Year and at the time that the last Bond that is part of the issue is discharged, into the Rebate Fund, and earnings on all Accounts not required to be deposited into the Rebate Fund, shall be deposited, as realized, into 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 moneys, 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 and the Act.

(E) There is hereby created and established a special trust account to be held and maintained by the Trustee and entitled the Remaining Bond Proceeds Account, 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, and for the credit of which deposits, disbursements and investments shall be made as required pursuant to the Contingency Draw-Down Agreement. Upon the issuance, sale and delivery of a Series of the 2012/13/14 Bonds pursuant to this Resolution, the Corporation may or, pursuant to the Contingency Draw-Down Agreement, shall, establish a separate Remaining Bond Proceeds
Account designated "... Series A Remaining Bond Proceeds Account" (inserting therein the appropriate Series and other necessary designation) for such Series. There is hereby created and established in the Remaining Bond Proceeds Account an account herein called the "Remaining Bond Proceeds Account Earnings Subaccount" for the credit of which deposits, disbursements and investments shall be made as required pursuant to the Contingency Draw-Down Agreement. Subject to the provisions of [Sections 2.2, 2.3 and 4.4] hereof, the monies deposited to the credit of the Remaining Bond Proceeds Account, including all obligations held as investments thereof and the proceeds of such investments, shall be held in trust and applied only for the purpose of disbursement as permitted by the Contingency Draw-Down Agreement and are hereby pledged to the Trustee, pending such application, for the benefit of the Bondholders and for the security of the payment of the principal of and interest and Sinking Fund Payments on the Bonds, and shall at all times be subject to the lien of such pledge until paid out and transferred as herein provided.

(F) There is hereby created and established a special trust account to be held and maintained by the Trustee and entitled the Negative Arbitrage Accounts, 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, and for the credit of which deposits, disbursements and investments shall be made as required pursuant to the Contingency Draw-Down Agreement. Upon the issuance, sale and delivery of a Series of the 2012/13/14 Bonds pursuant to this Resolution, the Corporation may or, pursuant to the Contingency Draw-Down Agreement, shall, establish a separate Negative Arbitrage Account designated "... Series A Negative Arbitrage Account" (inserting therein the appropriate Series and other necessary designation) for such Series. Subject to the provisions of [Sections 2.2, 2.3 and 4.4] hereof, the monies deposited to the credit of each Negative Arbitrage Account, including all obligations held as investments thereof and the proceeds of such investments, shall be held in trust and applied only for the purpose of disbursement as permitted by the Contingency Draw-Down Agreement and are hereby pledged to the Trustee, pending such application, for the benefit of the Bondholders and for the security of the payment of the principal of and interest and Sinking Fund Payments on the Bonds, and shall at all times be subject to the lien of such pledge until paid out and transferred as herein provided.

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, the proceeds of Mortgage Participations, if any (unless otherwise directed by the Corporation), or other amounts required to be deposited therein pursuant to this Resolution and any other amounts determined by the Corporation to be deposited therein from time to time.

(B) Amounts in the Bond Proceeds Account shall be expended only (i) to finance the Retained Portion of the Mortgage Loan, in accordance with Section 4.2 hereof; (ii) to pay Costs of Issuance; (iii) to pay principal or Redemption Price of and interest on the Bonds when due, to the extent amounts in the Revenue Account and the Redemption Account are insufficient for such purpose; (iv) to purchase or redeem Bonds in accordance with subsection (D) of this Section 5.2; (v) to reimburse the Credit Issuer for moneys obtained under the Credit Facility to pay the principal or Redemption Price of and interest on the Bonds to which such Credit Facility relates when due in accordance with their terms to the extent amounts in the Revenue Account and Redemption Account are insufficient for such purpose; (vi) to pay
to the Credit Issuer any regularly scheduled fees due and owing to the Credit Issuer pursuant to the Credit Agreement; (vii) to finance the portion of the Mortgage Loan other than the Retained Portion of the Mortgage Loan; and (viii) to fund the repurchase by the Corporation of Mortgage Participations, if any, theretofore acquired by another party or other parties in accordance with a Participation Agreement and (ix) to pay to the Corporation, the Obligor, the Remarketing Agent, the Trustee and the Tender Agent any regularly scheduled fees due and owing to such parties in connection with the Bonds.

(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 subsection (B) of this Section 5.2, but only upon receipt of:

(1) a written requisition, executed by an Authorized Officer of the Mortgagor (with respect to financing the Retained Portion of the Mortgage Loan) or the Corporation (with respect to Costs of Issuance), 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;

(2) if such requisition is in connection with the financing of the Retained Portion of the Mortgage Loan and if the Credit Issuer is acting as the servicer of the Mortgage Loan, a Certificate of the Credit Issuer, in the form annexed to the Loan Agreement approving the amount of the requisition;

(3) if such requisition is in connection with the financing of the Retained Portion of the Mortgage Loan, a Certificate of an Authorized Officer of the Mortgagor or, if the Credit Issuer is not acting as the servicer of the Mortgage Loan, a Certificate of an Authorized Officer of the Corporation or such servicer if other than the Corporation, identifying such requisition and stating that (i) the amount to be withdrawn from the Bond Proceeds Account pursuant to such requisition is a proper charge thereon, (ii) the Mortgage Loan complies with the provisions of this Resolution, (iii) the amount of all payments theretofore or thereupon made by the Corporation for financing the Retained Portion of the Mortgage Loan does not exceed the amount of such Retained Portion of the Mortgage Loan, and (iv) to the best knowledge of such Authorized Officer of the Mortgagor or the Corporation, as applicable, the Mortgagor is not currently in default under any terms or provisions of the Mortgage Loan, excepting only such defaults as may have been disclosed by the Mortgagor to the Credit Issuer or other servicer of the Mortgage Loan and waived by such party in accordance with the terms of the Assignment or other applicable servicing agreement; and

(4) with respect to amounts deposited in the Bond Proceeds Account from each Series of Bonds to which the covenants contained in Section 7.9 hereof are applicable, if such requisition is in connection with the financing of the Retained Portion of the Mortgage Loan, a Certificate of the Mortgagor with respect to the Retained Portion of the Mortgage Loan that neither the amount of the requisition nor the application of the amounts so requisitioned will jeopardize the ability of the Mortgagor to deliver the Certificates required by Section 4.2(5) and (6) hereof.
(D) At any time and upon three (3) days’ prior written notice to the Credit Issuer or the Obligor, the Corporation may direct the Trustee in writing to transfer moneys in the Bond Proceeds Account not required for the financing of the Retained Portion of the Mortgage Loan to the Redemption Account or to apply such moneys directly to the redemption, purchase or retirement of Bonds in accordance with their terms and the provisions of Article VI hereof; whereupon the Trustee shall comply with such direction of the Corporation.

(E) 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 (vi) of subsection (B) of this Section 5.2, but only upon receipt of a written requisition, executed by the Credit Issuer setting forth the amount to be paid, the person or persons to whom such payment is to be made and certifying that the fees being paid with the amounts so requisitioned are regularly scheduled fees due and owing to the Credit Issuer pursuant to the Credit Agreement.

(F) 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 (vii) or (viii) of subsection (B) of this Section 5.2, but only in accordance with the terms of a Participation Agreement.

Section 5.3. Maintenance of Escrows. (A) All amounts, if any, received by the Corporation or other servicer of the Mortgage Loan, as the case may be, as Escrow Payments shall be deposited as promptly as possible in escrow accounts maintained by the Corporation or other servicer of the Mortgage Loan, as the case may be. Amounts in such escrow accounts, or in any sub-account therein, shall be within the control of the Corporation or other servicer of the Mortgage Loan, as the case may be, and may, but need not, be held by the Trustee. 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 or other servicer of the Mortgage Loan, as the case may be, 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 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) Upon the happening of an Event of Default or an Event of Termination specified in Section 10.2 hereof, and at the written request of the Trustee or of the owners of not less than twenty-five percent (25%) in principal amount of the Outstanding 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 and the Credit Issuer, as their interests may appear. If, however, the Trustee and the Bond owners are restored to their positions in accordance with Section 10.5 hereof, the Trustee and the Credit Issuer shall assign such Escrow Payments back to the Corporation.

Section 5.4. Revenue Account; Debt Service. (A) Subject to the provisions of the Assignment, the Corporation shall cause all Pledged Receipts to be deposited promptly with the Trustee in the Revenue Account. During the term of the Letter of Credit, the Trustee shall draw moneys under the Letter of Credit in accordance with the terms thereof, in a timely manner
and in amounts sufficient to pay the principal or Redemption Price of and interest on the Bonds as such become due, whether at maturity or upon redemption or acceleration or on an Interest Payment Date or otherwise, and shall deposit such amounts in the Credit Facility Payments Sub-Account. During the term of any Mortgage Purchase Agreement, the Trustee shall, pursuant to Section 10.13 hereof, obtain moneys under such Mortgage Purchase Agreement in accordance with the terms thereof, in a timely manner and in amounts sufficient to pay the principal of and interest on the Bonds, as such become due, whether at maturity or upon redemption or acceleration or on an Interest Payment Date or otherwise, and shall deposit such amounts in the Revenue Account. During the term of any other Credit Facility, the Trustee shall obtain moneys under such Credit Facility, in accordance with the terms thereof, in a timely manner, in the full amount required to pay the principal or Redemption Price of and interest on the Bonds as such become due, whether at maturity or upon redemption or acceleration or on an Interest Payment Date or otherwise and shall deposit such amounts in the Credit Facility Payments Sub-Account. Moneys held in the Credit Facility Payments Sub-Account shall not be commingled with moneys held in any other Account or Sub-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.

(B) On or before each Interest Payment Date, the Trustee shall pay, from the sources described below and in the order of priority indicated, the amounts required for the payment of the Principal Installments, if any, and interest due on the Outstanding Bonds on such date, and on or before the Redemption Date or date of purchase (but not with respect to any purchase pursuant to the Mandatory Purchase Provision or the Demand Purchase Option), 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, as follows:

(1) first, from the Credit Facility Payments Sub-Account, and to the extent the moneys therein are insufficient for said purpose,

(2) second, from the Revenue Account, and to the extent the moneys therein are insufficient for said purpose,

(3) third, from the Redemption Account, and to the extent the moneys therein are insufficient for said purpose,

(4) fourth, from the Bond Proceeds Account (other than Mortgage Participations, if any), and to the extent the moneys therein are insufficient for said purpose, and

(5) fifth, from any other moneys held by the Trustee under this Resolution and available for such purpose.

After payment of the Principal Installments, if any, and interest due on the Outstanding Bonds has been made, and to the extent payments on the Bonds are made from the source described in subparagraph (1) of this subsection (B), amounts available from the sources described in
subparagraphs (2) through (5) above, in the order of priority indicated, shall be used immediately to reimburse the Credit Issuer for amounts obtained under the Credit Facility, and so applied.

(C) Notwithstanding any provision to the contrary which may be contained in this Resolution, (i) in computing the amount to be obtained under the Credit Facility on account of the payment of the principal of or interest on the Bonds, the Trustee shall exclude any such amounts in respect of any Bonds which are Pledged Bonds on the date such payment is due, and (ii) amounts obtained by the Trustee under the Credit Facility shall not be applied to the payment of the principal of or interest on any Bonds which are Pledged Bonds on the date such payment is due.

(D) On or before each date amounts are payable with respect to Mortgage Participations, if any, pursuant to a Participation Agreement, after providing for the reimbursement of the Credit Issuer pursuant to subsection (B) above for amounts obtained under the Credit Facility, the Trustee shall withdraw from the Revenue Account and pay to the appropriate party the amounts due with respect to Mortgage Participations, if any, under such Participation Agreement.

(E) Any moneys accumulated in the Revenue Account up to the unsatisfied balance of each Sinking Fund Payment (together with amounts accumulated in the Revenue Account with respect to interest on the Bonds for which such Sinking Fund Payment was established) shall, if so directed in writing by the Corporation, be applied by the Trustee on or prior to the forty-fifth (45th) day preceding 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 such Sinking Fund Payment plus unpaid interest accrued to the date of purchase, such purchases to be made in such manner as the Trustee (after consultation with the Corporation) shall determine, or (ii) to the redemption of such Bonds, if then redeemable by their terms, at the Redemption Prices referred to above.

(F) Upon the purchase or redemption of any Bond pursuant to subsection (D) of this Section 5.4, 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 of the Corporation, 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 Loan and any other Revenues expected to be available for such payments after considering the amounts payable pursuant to the Mortgage Loan 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 hereof (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. 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, after payment by the Trustee of the purchase price of such Bonds and after payment of any other Debt Service due on the due date of such Sinking Fund Payment, the Trustee shall pay an amount not greater than the difference between the amount of such purchase price and the amount of such Redemption Price to, or at the direction of, the Corporation.

(G) As soon as practicable after the forty-fifth (45th) day preceding the due date of any such Sinking Fund Payment, the Trustee shall proceed to call for redemption pursuant to Section 6.3 hereof, on such due date, Bonds 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 moneys in the Revenue Account sufficient to pay the applicable Redemption Price thereof on the Redemption Date. The Trustee shall pay the amount required for the redemption of the Bonds so called for redemption from the Accounts specified in subsection (B) of this Section 5.4, in the order of priority indicated, and such amount shall be applied by the Trustee to such redemption. After payment of the amount required for the redemption of Bonds has been made and to the extent redemption payments are made from the source described in subparagraph (1) of subsection (B) of this Section 5.4, amounts available in the Accounts described in subparagraphs (2) through (5) of subsection (B) of this Section 5.4, in the order of priority indicated, shall be used immediately to reimburse the Credit Issuer for amounts obtained under the Credit Facility and so applied.

(H) On each Interest Payment Date, the Trustee shall deliver to the Corporation a Certificate of an Authorized Officer of the Trustee containing a statement 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 subsection (B) of this Section 5.4 and the amount, if any, required to be transferred to the Trustee, the Credit Issuer and the Corporation in order to satisfy the requirement of this Section 5.4. Concurrently with the delivery of such Certificate, the Trustee shall transfer from the Revenue Account (after providing for all payments required to have been made pursuant to subsection (B) of this Section 5.4) (i) first, if so directed by the Corporation, to the Trustee, an amount equal to the Trustee's unpaid fees and expenses, (ii) second, at the direction of the Corporation, to the Credit Issuer, an amount equal to any fees due and owing to the Credit Issuer pursuant to the Credit Agreement, (iii) third, if so directed by the Corporation, to the Tender Agent, an amount equal to the Tender Agent's unpaid fees and expenses, (iv) fourth, if so directed by the Corporation, to the Remarketing Agent, an amount equal to the Remarketing Agent's unpaid fees and expenses and (v) fifth, to the Corporation, the Administrative Fee to the extent unpaid. The amount remaining after making the transfers or payments required hereinbefore shall be retained in the Revenue Account. Such remaining balance shall be used to offset the Mortgagor's obligation under the Mortgage Loan (in direct chronological order of such obligation), unless the Trustee receives a Certificate from the Corporation stating that a default has occurred with respect to any agreement between the Corporation and the Mortgagor. If the Trustee shall thereafter receive a Certificate from the Corporation stating that such default has been cured or waived such remaining balance shall once again be used to offset the Mortgagor's obligation under the Mortgage Loan (in direct chronological order of such obligation).
Section 5.5. **Redemption Account.** (A) Subject to the provisions of the Assignment, there shall be deposited in the Redemption Account all Recoveries of Principal and any other amounts which are required to be deposited therein pursuant to this Resolution and any other amounts available therefor and determined by the Corporation to be deposited therein. In addition, during the term of any Mortgage Purchase Agreement, the Trustee shall obtain moneys under such Mortgage Purchase Agreement, pursuant to Section 10.13 hereof and in accordance with the terms thereof, in a timely manner and in the full amount required to pay the Redemption Price of the Bonds, and shall deposit such amounts in the Redemption Account. Subject to the provisions of this Resolution or of any Supplemental Resolution authorizing the issuance of Bonds, requiring the application thereof to the payment, purchase or redemption of any particular Bonds, the Trustee shall apply amounts from the sources described in subsection (C) of this Section 5.5 equal to amounts so deposited in the Redemption Account to the purchase or redemption of Bonds at the times and in the manner provided in this Section 5.5 and Article VI hereof.

(B) At any time before the forty-fifth (45th) 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 from the sources described in subsection (C) of this Section 5.5 equal to amounts in the Redemption Account to the purchase of any of the Bonds in lieu of redemption. 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 of the Corporation, any amounts applied from the sources described in subsection (C) of this Section 5.5 equal to amounts in the Redemption Account resulting from Recoveries of Principal shall be applied to the purchase or redemption of Bonds in such manner that, as nearly as may be reasonably possible, Debt Service on the Bonds shall be lessened in relation to the lessening of annual revenues that would have been received from the Retained Portion of the Mortgage Loan. In the event that Sinking Fund Payments have been established for the Bonds so purchased or redeemed, such Sinking Fund Payments shall be credited in the manner provided in Section 5.4(E) hereof. 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. 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, after the payment by the Trustee of the purchase price of such Bonds and after payment of any amounts due on the Redemption Date following such purchase, the Trustee shall pay an amount not greater than the difference between the amount of such purchase price and the amount of such Redemption Price to, or at the direction of, the Corporation.

(C) On or before a Redemption Date or date of purchase of Bonds pursuant to subsection (B) of this Section 5.5, the Trustee shall pay, from the sources described below and in the order of priority indicated, the amounts required for the payment of the principal of Outstanding Bonds to be redeemed or purchased and cancelled on such date, as follows:

1. first, from the Credit Facility Payments Sub-Account, and to the extent the moneys therein are insufficient for such purpose,
(2) second, from the Redemption Account, and to the extent the moneys therein are insufficient for such purpose,

(3) third, from the Revenue Account, and to the extent the moneys therein are insufficient for such purpose,

(4) fourth, from the Bond Proceeds Account (other than proceeds of Mortgage Participations, if any), and to the extent the moneys therein are insufficient for such purpose, and

(5) fifth, from any other moneys held by the Trustee under this Resolution and available for such purpose.

After payment of the principal of such Outstanding Bonds to be redeemed or purchased has been made, and to the extent payments for the redemption or purchase of the Bonds are made from the source described in subparagraph (1) above, amounts available from the sources described in subparagraphs (2) through (5) above, in the order of priority indicated, shall be used to reimburse the Credit Issuer for amounts obtained under the Credit Facility and so applied.

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

(E) Notwithstanding the provisions of this Section 5.5, (i) so long as no Mortgage Purchase Agreement Default or Wrongful Dishonor, as applicable, has occurred and is continuing, all prepayments of the Mortgage Loan (voluntary or involuntary) shall be applied to pay Mortgage Participations, if any, prior to being applied to redeem Outstanding Bonds, and (ii) so long as a Mortgage Purchase Agreement Default or Wrongful Dishonor, as applicable, has occurred and is continuing, all such prepayments shall be applied to redeem Outstanding Bonds prior to being applied to pay Mortgage Participations, if any.

Section 5.6. 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 of the Corporation, shall deposit in the Rebate Fund at least as frequently as the end of each fifth (5th) Bond Year and at the time that the last Bond that is part of the issue 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 of the Corporation to the extent necessary to comply with the covenants 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 of the Corporation, 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 of the Corporation, 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 ninety percent (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, one hundred percent (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. The Bonds 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 hereof; an Authorized Officer of the Corporation shall give written notice to the Trustee of the Corporation's election or direction so to redeem, of the Redemption Date, of any conditions precedent to such redemption and the Series and the principal amounts and maturities of the Bonds to be redeemed (which Series, Redemption Date, principal amounts and maturities 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) and of any moneys to be applied to the payment of the Redemption Price. Such notice shall be given (a) in the case of the 2012/13/14 Bonds, (i) at least forty-five (45) days prior to the Redemption Date or such shorter period as shall be acceptable to the Trustee for its convenience during a Term Rate Period or the Fixed Rate Period and (ii) at least twenty-five (25) days prior to the Redemption Date or such shorter period as shall be acceptable to the Trustee for its convenience during a Daily Rate Period, Weekly Rate Period, Index Rate Period or Flexible Rate Period, or (b) in the case of any Additional Bonds, at least forty-five (45) days prior to the Redemption Date or such shorter period as shall be set forth in a Supplemental Resolution authorizing the issuance of such Additional Bonds; provided, however, that so long as a Mortgage Purchase Agreement is in effect with respect to the Bonds, such notice shall be given at such time as the Corporation, in its sole discretion, shall deem appropriate, including no notice in the event of a Mortgage Purchase Agreement Default. In the event notice of redemption shall have been given as provided in Section 6.5 hereof, the Trustee, if it holds the moneys to be applied to the payment of the Redemption Price, or otherwise the Corporation, prior to the Redemption Date, shall pay to the Trustee, in cash, an amount which, in addition to other moneys, if any, available therefor held by such Trustee, will be sufficient to redeem on the Redemption Date at the Redemption Price thereof, together with accrued interest thereon, all the Bonds to be redeemed.

Section 6.3. Redemption Otherwise Than at Corporation's Election or Direction. Whenever by the terms of this 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 VI and, to the extent applicable, Article V hereof, 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 (other than from Sinking Fund Payments), the Corporation shall direct the Series and maturity or maturities of such Bonds to be so redeemed in such manner as, in the best judgment of the Corporation, shall provide for the payment of Debt Service thereafter to become due from the remaining Revenues to be derived in connection with the Retained Portion of the Mortgage Loan and any other Revenues expected to be available for such Debt Service after considering the amounts payable pursuant to the Retained Portion of the Mortgage Loan at such time. Any
redemption under this Section 6.3 shall be effected as quickly as practically possible, consistent with the provisions of Section 6.5 hereof.

Section 6.4. Selection of Bonds to be Redeemed. In the event of redemption of less than all the Outstanding Bonds of like Series and maturity, the Trustee shall select the Bonds to be redeemed in authorized denominations by lot, using such method as it shall determine in its sole discretion. For the purposes of this Section 6.4, Bonds which have theretofore been selected by lot for redemption shall not be deemed Outstanding.

The foregoing notwithstanding, (i) for so long as the Credit Facility shall be in effect, the first Bonds of a Series to be redeemed shall be Pledged Bonds of such Series and (ii) no Bond shall be selected for redemption if the portion of such Bond remaining after such redemption would not be in a denomination authorized by this Resolution.

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 hereof and when redemption of Bonds is required by this Resolution pursuant to Section 6.3 hereof, the Trustee shall give notice, in the name of the Corporation, of the redemption of such Bonds. Such notice shall specify 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 are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed and, in the case of fully registered 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 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. The Trustee shall mail a copy of such notice, except as provided below, postage prepaid, (i) not less than thirty (30) days before the Redemption Date during a Term Rate Period or the Fixed Rate Period and (ii) not less than fifteen (15) days before the Redemption Date during a Daily Rate Period, a Weekly Rate Period, an Index Rate Period or a Flexible Rate Period 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; provided, however, that so long as a Mortgage Purchase Agreement is in effect with respect to the Bonds, no such notice shall be required. The provisions of this Section 6.5 shall not apply in the case of any redemption of Bonds of which, pursuant to the terms of this Resolution, notice is not required to be given.

Section 6.6. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 6.5 hereof and all conditions precedent, if any, specified in such notice having been satisfied, or if, pursuant to the terms of this Resolution, no notice of redemption is required to be given, 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, 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 or transfer, if required, duly executed by the registered owner or
such owner’s 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, moneys 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 (or if no notice is required to be given) and all conditions precedent to such redemption, if any, 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. If (i) said moneys shall not be so available on the Redemption Date or (ii) 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 and, with respect to clause (ii) of this sentence, such redemption shall be deemed to be cancelled and shall have no effect.
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 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 (other than as provided in the Assignment), 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, the Trustee and the Credit Issuer 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. **Extensions of Payment.** Except with respect to Pledged Bonds, the Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in the event that the maturity of any of the Bonds or claims for interest shall be extended, such Bonds or claims for interest shall not be entitled to the benefit of this Resolution or to any payment out of the Accounts established pursuant to this Resolution, including the investments, if any, thereof, or out of any assets or Revenues pledged
hereunder or out of Credit Facility Payments prior to benefits accorded to or the payment of the principal of all Bonds the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Corporation to issue bonds for refunding purposes and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

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, registration of 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, registration of 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 relating to the Retained Portion of the Mortgage Loan 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, the 2012 Series A Bonds, the 2012 Series B Bonds, the 2013 Series A Bonds, the 2014 Series A Bonds and any Additional 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 permitted by law 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, 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) The Corporation shall not permit any person or “related person” (as
defined in the Code) to purchase Bonds (other than Pledged Bonds) in an amount related to the
Retained Portion of the Mortgage Loan to be acquired by the Corporation from such person or
“related person”.

Section 7.10. Covenants with Respect to the Mortgage Loan. (A) In order to
pay the Principal Installments of and interest on the Bonds when due, the Corporation shall from
time to time, with all practical dispatch and in a sound and economical manner consistent in all
respects with the Act, 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 Retained Portion of the
Mortgage Loan pursuant to the Act and this Resolution and any applicable Supplemental
Resolution, (ii) do all such acts and things as shall be necessary to receive and collect Pledged
Receipts (including diligent enforcement of the prompt collection of all arrears on the Mortgage
Loan) and Recoveries of Principal, and (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 the Mortgage Loan or any subsidy payments in
connection with the Project or the occupancy thereof and to enforce all terms, covenants and
conditions of the Mortgage Loan and the Mortgage Documents, including the collection, custody
and prompt application of all Escrow Payments for the purposes for which they were made;
provided, however, that the obligations of the Corporation in (ii) and (iii) above may be
suspended during the term of the Assignment, except as otherwise provided in the Assignment.

(B) The Corporation shall promptly advise the Trustee of the occurrence of a
default on the Mortgage Loan and shall keep the Trustee advised as to any actions taken with
respect thereto.

Section 7.11. Personnel and Servicing of the Mortgage Loan. (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 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 the Mortgage Loan 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
Loan. 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)
subject to and in accordance with the provisions of this Resolution; provided, however, that for so long as payments of principal and interest due with respect to the Bonds shall be made from moneys obtained under a Credit Facility, the servicer may use the amounts to be so deposited pursuant to this subparagraph to reimburse the Credit Issuer for amounts paid under such Credit Facility;

(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 the Mortgage Loan in accordance with standards normally employed by private institutional mortgage investors, as determined in the Corporation's sole discretion, and shall provide regular reports to the Corporation as to collections and delinquencies with respect to the Mortgage Loan.

(D) Notwithstanding the provisions of subsection (C) of this Section 7.11, for so long as the Credit Issuer services the Mortgage Loan pursuant to the Assignment, the Credit Issuer shall be deemed to satisfy the servicer qualifications and requirements set forth in this Resolution, and the Assignment shall be deemed to satisfy the requirements for a servicing agreement as set forth in this Resolution.

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 additional indebtedness which will be secured by a superior charge and lien on the Revenues and assets pledged hereunder. 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 or Mortgage Participations, if any, which will be secured by an equal charge and lien on the Revenues and assets pledged hereunder. The Corporation shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness which will be secured by a subordinate charge and lien on the Revenues and assets pledged hereunder (other than Mortgage Participations, if any, and the Non-Bond Mortgage) unless the Corporation shall have received the written consent of the Credit Issuer.

(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. Accounts and Reports. (A) 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 Loan and all Accounts established by this 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 five percent (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.
(B) If at any time during any fiscal year there shall have occurred an Event of Default or an Event of Default shall be continuing, then the Corporation shall file with the Trustee within forty-five (45) days after the close of such fiscal year, a special report accompanied by an Accountant's Certificate as to the fair presentation of the financial statements contained therein, setting forth in reasonable detail the individual balances and receipts and disbursements for each Account hereunder.

(C) The Corporation shall annually, within 120 days after the close of each fiscal year of the Corporation, file with the Trustee a copy of an annual report as to the operations and accomplishments of the various funds and programs of the Corporation during such fiscal year, and financial statements for such fiscal year, setting forth in reasonable detail:

1. the balance sheet with respect to the Bonds and the Mortgage Loan, showing the assets and liabilities of the Corporation at the end of such fiscal year;

2. a statement of the Corporation's revenues and expenses in accordance with the categories or classifications established by the Corporation in connection with the Bonds and the Mortgage Loan during such fiscal year;

3. a statement of changes in fund balances, as of the end of such fiscal year;

and

4. a statement of cash flows, as of the end of such fiscal year.

The financial statements shall be accompanied by the Certificate of an Accountant stating that the financial statements examined present fairly the financial position of the Corporation at the end of the fiscal year, the results of its operations and the changes in its fund balances and its cash flows for the period examined, in conformity with generally accepted accounting principles applied on a consistent basis except for changes with which such Accountant concurs.

(D) Except as provided in subsection (B) of this Section 7.13, any such financial statements may be presented on a consolidated or combined basis with other reports of the Corporation.

(E) A copy of each annual report or special report and any Accountant's Certificate relating thereto shall be mailed promptly thereafter by the Corporation to each Bond owner who shall have filed such owner's name and address with the Corporation for such purposes.

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. Amendments of Loan Agreement. The Corporation does hereby pledge to and agree with the owners of the Bonds that it will not consent to any amendment of the Loan Agreement which would materially adversely affect the interests of the owners of the Bonds.

Section 7.16. Participation Agreement. The Corporation may enter into one or more Participation Agreements whereby the Obligor or the Credit Issuer (and other co-lending parties under the Credit Agreement, as the case may be) may purchase from the Corporation one or more Mortgage Participations up to the aggregate amount necessary to fully fund the Mortgage Loan, in the event the Corporation does not issue the 2013 Series A Bonds or the 2014 Series A Bonds; provided, however, that Mortgage Participations, if any, shall have subordinate or equal, but not superior, priority as to lien as the Retained Portion of the Mortgage Loan, but need not be equal as to interest rate, time or rate of amortization or otherwise. The provisions of this Section 7.16 shall not be construed to alter the provisions of Section 5.5(E) hereof.

Section 7.17. Mortgage Purchase Agreement; No Disposition of Mortgage Purchase Agreement. (A) On the date of issuance and delivery of the 2012 Bonds, the Trustee shall enter into a Mortgage Purchase Agreement.

(B) The Trustee shall not, without the prior written consent of the Corporation and the owners of all of the Bonds then Outstanding, transfer, assign or release a Mortgage Purchase Agreement except to (1) a successor Trustee or (2) the Obligor thereunder upon either (a) receipt of an Alternate Security or another Mortgage Purchase Agreement, (b) termination of such Mortgage Purchase Agreement in accordance with the terms thereof or (c) the election of the Corporation to provide no Credit Facility in accordance with Section 104(D) of Appendix A or Appendix B hereto, as the case may be, in the case of the 2012 Series A Bonds, Section 104(D) of Appendix B hereto, in the case of the 2012 Series B Bonds, or Section 104(D) of Appendix A to the First Supplemental Resolution, in the case of the 2013 Series A Bonds, as the case may be.
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 of the Corporation, 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 whatsoever, but only if (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 Additional Bonds in accordance with Section 2.8 hereof and to prescribe the terms and conditions thereof and any additional terms and conditions upon which such Bonds may be issued;

(9) to provide, in connection with the issuance of a Series of Additional Bonds, that specified provisions of this Resolution (other than in Appendix A or
Appendix B hereto) that relate to the 2012/13/14 Bonds shall also apply to such Series of
Additional Bonds;

(10) to comply with regulations or rulings issued with respect to the Code, to
the extent determined as necessary or desirable in a Bond Counsel’s Opinion;

(11) to provide for such changes as are deemed necessary or desirable by the
Corporation upon the delivery to the Trustee of an Alternate Security or a Substitute
Letter of Credit;

(12) to provide for such changes as are deemed necessary or desirable by the
Corporation in connection with either (a) providing a book-entry system with respect to a
Series of Bonds or (b) discontinuing a book-entry system with respect to a Series of
Bonds;

(13) to provide for such changes as are deemed necessary or desirable by the
Corporation to take effect on a Change Date on which one hundred percent (100%) of the
Bonds are subject to mandatory tender; or

(14) during any period that all the Bonds bear interest at a Daily Rate or
Weekly Rate, to provide such changes (other than any changes that adversely affect the
exclusion from gross income for Federal income tax purposes of interest on any Series of
Bonds to which the covenants in Section 7.9 hereof apply) as are deemed necessary or
desirable by the Corporation, if, not less than thirty (30) days before the effective date of
such changes, the Trustee sends notice of the proposed changes to the Bondholders and,
with respect to Bonds bearing interest at a Daily Rate or Weekly Rate, the Bondholders
have the right to tender their Bonds for purchase before such effective date.

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, (i) upon the filing with the Trustee of a copy
thereof certified by an Authorized Officer of the Corporation, (ii) upon the filing with the Trustee
and the Corporation of an instrument in writing made by the Trustee consenting thereto, and (iii)
if such Supplemental Resolution is to effect a change described in subparagraph (4) of this
subsection (A), after such period of time as the Trustee and the Corporation deem appropriate
following notice to the owners of the Bonds (but not less than thirty (30) days), 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;

(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 Loan;
(4) to change any of the time periods for provision of notice relating to the Mandatory Purchase Provision, Demand Purchase Option or interest rate determination, or the time periods for interest rate determination or the procedure for tendering Bonds in connection with the Mandatory Purchase Provision or Demand Purchase Option; or

(5) to make any additions, deletions or modifications to this 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 hereof, and in that event, the consent of the Trustee required by this Section 8.2 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 8.2.

(C) The Trustee, at the expense of the Corporation, shall provide notice to the Bond owners of the adoption of any Supplemental Resolution described in subparagraph (4) of subsection (A) of this Section 8.2 in whichever manner it deems most effective, and shall, as soon as practicable, deliver a copy of any Supplemental Resolution effecting a change described in subparagraph (4) of subsection (A) of this Section 8.2 to each owner of a 2012/13/14 Bond Outstanding.

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 hereof. 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 of the Corporation and upon compliance with the provisions of Article IX hereof.

Section 8.4. General Provisions. (A) This Resolution shall not be supplemented, 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 hereof. Notwithstanding anything to the contrary contained in this Resolution, for so long as the Credit Facility shall be in effect, no such supplement to or modification or amendment of this Resolution shall take effect without the consent of the Credit Issuer. Nothing in this Article or Article IX hereof 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 hereof 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 Sections 8.1 or 8.2 hereof 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 (i) 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, is
enforceable in accordance with its terms and (ii) the adoption of such Supplemental Resolution will not adversely affect the exclusion from gross income for Federal income tax purposes of interest on any Bonds to which the covenants of Section 7.9 hereof apply.

(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 Sections 8.1, 8.2 or 8.3 hereof 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, the Mortgagor, the Remarketing Agent, the Tender Agent or the Credit Issuer without such party'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. Subject to the provisions of Section 8.4 hereof, 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 hereof, with the written consent given as provided in Section 9.3 hereof, (i) of the owners of at least two-thirds 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 two-thirds in principal amount of the Bonds so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Payment, of the owners of at least two-thirds in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Payment and Outstanding at the time such consent is given; provided, however, that a modification or amendment referred to in (iii) above shall not be permitted unless the Trustee shall have received a Bond Counsel’s Opinion to the effect that such modification or amendment does not adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Bonds to which the covenants of Section 7.9 hereof apply. 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 9.2. 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 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 9.2, 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 Sections 8.1 or 8.2 hereof (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 the Bonds. 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 hereof and (b) a Bond Counsel's Opinion stating that (I) 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 and similar laws affecting rights and remedies of creditors) and (II) the adoption of such Supplemental Resolution will not adversely affect the exclusion from gross income for Federal income tax purposes of interest on any Series of Bonds to which the covenants contained in Section 7.9 of this Resolution apply, and (ii) a notice shall have been made as hereinafter provided in this Section 9.3.

(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 hereof. A Certificate by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 11.12 hereof 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 9.3 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 9.3, shall be given to Bond owners by the Corporation by mailing such notice to the Bond owners not more than ninety (90) 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 9.3 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 (40) 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 (40)-day period, except that the Trustee and the Corporation during such forty (40)-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.** Subject to the provisions of Section 8.4 hereof, 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 hereof, 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 or the Mortgagor (other than Pledged Bonds) shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article IX, and neither the Corporation nor the Mortgagor shall be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article IX. At the time of any consent or other action taken under this Article IX, 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 hereof or this Article IX 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 such 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 Corporation or the Trustee) 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

EVENTS OF DEFAULT, EVENT OF TERMINATION AND REMEDIES; PURCHASE OF THE RETAINED PORTION OF THE MORTGAGE LOAN UPON DEFAULT UNDER THE MORTGAGE LOAN; MORTGAGE PURCHASE AGREEMENT DEFAULT

Section 10.1. Interpretation. Other than Section 10.13 and Section 10.14 hereof, none of the provisions of this Article X shall apply so long as a Mortgage Purchase Agreement is in effect with respect to the Bonds.

Section 10.2. Events of Default and Termination. Each of the following events set forth in numbers (1) through (4) below is hereby declared an “Event of Default” with respect to the Bonds and the following event set forth in (5) below is hereby declared an “Event of Termination” with respect to the Bonds:

(1) payment of the principal or Redemption Price, if any, of or interest on any Bond (other than Pledged Bonds) 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) payment of the Purchase Price of any 2012/13/14 Bond (other than Pledged Bonds) tendered in accordance with Appendix A or Appendix B hereto, as the case may be, or each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, shall not be made when and as the same shall become due; or

(3) [Reserved]; or

(4) 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 (other than any such default resulting in an Event of Default described in paragraph (1) or (2) of this Section 10.2), and such failure, refusal or default shall continue for a period of forty-five (45) days after written notice thereof by the Trustee or the owners of not less than five percent (5%) in principal amount of the Outstanding Bonds of such Series; or

(5) receipt by the Trustee of written notice from the Credit Issuer that an “Event of Default” has occurred under the Credit Agreement, together with a written direction from the Credit Issuer to the Trustee to exercise either the remedy set forth in Section 10.3(A)(5) hereof or the remedy set forth in Section 10.3(A)(8) hereof, as provided in such direction.

Section 10.3. Remedies. (A) Upon the happening and continuance of an Event of Termination specified in paragraph (5) of Section 10.2 hereof, the Trustee shall proceed, in its own name pursuant to the direction of the Credit Issuer as described in paragraph (5) of Section 10.2 hereof, to protect and enforce the remedies of the Bond owners and the Credit Issuer by the
remedies set forth in either paragraph (5) or paragraph (8) below, as specified in the direction of the Credit Issuer as described in paragraph (5) of Section 10.2 hereof; provided, however, that anything to the contrary in Section 11.3 hereof notwithstanding, the Trustee shall enforce the remedies set forth in paragraph (5) and paragraph (8) within the time limits provided in such paragraphs. Upon the happening and continuance of any Event of Default specified in paragraphs (1) or (2) of Section 10.2 hereof, the Trustee shall proceed, or upon the happening and continuance of any Event of Default specified in paragraph (4) of Section 10.2 hereof, the Trustee may proceed and, upon the written request of the owners of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds, shall proceed, in its own name, subject, in each case, to the provisions of Section 11.3 hereof and the receipt of the written consent of the Credit Issuer, to protect and enforce the rights of the Bond owners by the remedies specified below for particular Events of Default, and such other of the remedies set forth in paragraphs (1) through (7) below, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights. Each of the following is declared to be a remedy with respect to the Bonds:

(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 Loan (subject to the provisions of the Assignment) and to require the Corporation to carry out any other covenants or agreements with such Bond owners, 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) with the written consent of the Credit Issuer in the case of an Event of Default or upon the direction described in Section 10.2(5) hereof in the case of an Event of Termination, by immediately declaring all Bonds or, with respect to an Event of Termination, a portion of one or more Series of the 2012/13/14 Bonds specified by the Credit Issuer, due and payable whereupon, with respect to any affected 2012/13/14 Bonds, such Bonds shall be immediately redeemed pursuant to Section 102(H) of Appendix A or Appendix B hereto, as the case may be, or Section 102(H) of each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, provided that upon the happening and continuance of an Event of Default specified in paragraph (1) or (2) of Section 10.2 hereof, the Trustee shall declare all Bonds due and payable;

(6) in the event that all Outstanding Bonds are declared due and payable, by selling the Retained Portion of the Mortgage Loan (subject to the provisions of the Assignment) and any Investment Securities securing such Bonds;
(7) by taking such action with respect to or in connection with the Credit Facility as the Trustee deems necessary to protect the interests of the owners of the 2012/13/14 Bonds; or

(8) upon the happening and continuance of an Event of Termination specified in paragraph (5) of Section 10.2 hereof, and upon receipt of direction from the Credit Issuer, by carrying out a purchase of all or, if so designated by the Credit Issuer, a portion of one or more Series of, the 2012/13/14 Bonds pursuant to Section 801 of Appendix A or Appendix B hereto, as the case may be, or Section 801 of each of the First Supplemental Resolution or the Second Supplemental Resolution, as the case may be, on a date specified by the Credit Issuer, which date shall not be later than eight (8) days following receipt by the Trustee of such direction.

(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 fees and expenses of the Trustee and 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 moneys available for such purpose, in any manner provided by law, the moneys adjudged or decreed to be payable.

(C) Upon the occurrence of any Event of Default or an Event of Termination, 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 or an Event of Termination hereunder, subject to the terms of any servicing agreement (provided no Mortgage Purchase Agreement Default has occurred) and subject to the terms of the Assignment, 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 Loan 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 10.4. Priority of Payments After Default or Event of Termination. (A) In the event that upon the happening and continuance of any Event of Default or an Event of Termination 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 fees, charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under this Resolution, shall be applied in the order of priority with respect to Bonds as set forth in subsection (C) of this Section 10.4 and 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 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; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any such 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 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.

(2) If the principal of all such Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon such 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 Bond over any other such 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 Bonds.

(3) After the payment to persons entitled thereto of the principal and interest then due and unpaid upon such Bonds, to the payment of all amounts due on Mortgage Participations, if any.

(B) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section 10.4, such moneys 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 moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The deposit of such moneys with the Trustee, or otherwise setting aside such moneys 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
moneys, 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. Except as otherwise provided in this Resolution, whenever the Trustee shall exercise such discretion in applying such moneys, 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.

(C) If, at the time the Trustee is to apply amounts in accordance with the provisions of subsection (A) of this Section 10.4, any of the Bonds Outstanding are Pledged Bonds, the Trustee shall make the payments with respect to the Bonds prescribed by subsection (A)(1) and (2) of this Section 10.4 first, to the owners of all Bonds Outstanding other than Pledged Bonds and second, to the owner of Pledged Bonds.

Section 10.5. Termination of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default or an Event of Termination, has been discontinued or abandoned for any reason, then in every such case the Corporation, the Trustee, the Bond owners and the Credit Issuer 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 10.6. Bond Owners' Direction of Proceedings. Anything in this Resolution to the contrary notwithstanding, except as otherwise provided in Sections 10.3(A)(5) and 10.3(A)(8), the owners of the majority in principal amount of the Bonds then Outstanding 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, and provided, further, that notwithstanding the foregoing, the Credit Issuer shall be entitled to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder.

Section 10.7. 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 an Event of Termination 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 twenty-five percent (25%) in principal amount of the Bonds then Outstanding 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 fees,
costs, 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 whatsoever by action of such owner or owners 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, however, 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 10.7, 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 twenty-five percent (25%) in principal amount of the Bonds Outstanding, 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 10.8. 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 10.9. 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 10.10. No Waiver of Event of Default or Event of Termination. No delay or omission of the Trustee or of any owner of the Bonds to exercise any right or power accruing upon any Event of Default or Event of Termination 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 10.11. Notice of Event of Default or Event of Termination. The Trustee shall give to the Bond owners notice of each Event of Default or Event of Termination hereunder known to the Trustee within ninety (90) days after actual knowledge by the Trustee of the occurrence thereof, unless such Event of Default or Event of Termination shall have been remedied or cured before the giving of such notice or, in the case of the 2012/13/14 Bonds, unless the Trustee has proceeded to carry out a mandatory purchase of all of the 2012/13/14 Bonds pursuant to Section 10.2(A)(8) hereof. 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 corporate 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 or Event of Termination 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.

Section 10.12. Rights of the Credit Issuer. Notwithstanding anything contained herein to the contrary, all rights of the Credit Issuer under this Resolution, including, but not limited to, the right to consent to, approve, initiate or direct extensions, remedies, waivers, actions and amendments hereunder shall cease, terminate and become null and void (a) if, and for so long as, there is a Wrongful Dishonor of the Credit Facility by the Credit Issuer, or (b) if the Credit Facility is no longer in effect; provided, however, that notwithstanding any such Wrongful Dishonor, the Credit Issuer shall be entitled to receive notices pursuant to this Resolution in accordance with the terms of this Resolution.

Section 10.13. Purchase of the Retained Portion of the Mortgage Loan upon Default under the Mortgage Loan. (A) So long as a Mortgage Purchase Agreement is in effect with respect to the Bonds, and upon the occurrence of any non-payment of any amount due and owing under the Mortgage Loan, the Trustee shall notify the Corporation and the Obligor of such non-payment (the “Notice”) on the same date on which such non-payment occurs. The Obligor shall have five (5) days from the date of the Notice to either (i) pay the Trustee the amount of such non-payment for deposit in the Revenue Account or (ii) notify the Corporation and the Trustee that it will purchase the Retained Portion of the Mortgage Loan on a date not more than ten (10) days from the date of the Notice. The failure of the Obligor to pay the Trustee the amount of such non-payment within five (5) days of the date of the Notice shall be deemed to be irrevocable notice from the Obligor that the Obligor will purchase the Retained Portion of the Mortgage Loan on a date not more than ten (10) days from the date of the Notice.

(B) The Trustee shall provide notice to the Corporation of any amounts received from the Obligor on the same date as such amount is received by the Trustee.

(C) In the event that the Obligor shall have elected to purchase the Retained Portion of the Mortgage Loan, all Outstanding Bonds shall be subject to redemption pursuant to
Section 2.7(B) hereof. The Trustee shall notify the Obligor of the Redemption Price not less than three days prior to the Redemption Date. The amount payable to the Trustee for the purchase of the Retained Portion of the Mortgage Loan pursuant to a Mortgage Purchase Agreement shall be deposited in the Redemption Account and shall be equal to the Redemption Price of all Outstanding Bonds, less any amounts available in any Account hereunder for application to the redemption of the Outstanding Bonds.

(D) Notwithstanding any notice from the Obligor to the Corporation and the Trustee to the effect that the Retained Portion of the Mortgage Loan will be purchased pursuant to the provisions of this Section 10.13, the Mortgagor may pay the Trustee the amount of any non-payment under the Mortgage Loan on any date prior to the Redemption Date and such payment will be deemed to cancel the purchase by the Obligor of the Retained Portion of the Mortgage Loan and the redemption of the Outstanding Bonds.

Section 10.14. Mortgage Purchase Agreement Default. (A) Any failure by the Obligor to honor its obligation to purchase the Retained Portion of the Mortgage Loan in accordance with the terms and conditions of a Mortgage Purchase Agreement shall constitute a Mortgage Purchase Agreement Default.

(B) Upon the occurrence of a Mortgage Purchase Agreement Default, (i) all Outstanding Bonds shall be subject to redemption pursuant to Section 2.7(B) hereof, and (ii) the Corporation shall assign the Mortgage Note and the Mortgage to the Obligor.
ARTICLE XI

CONCERNING THE TRUSTEE, TENDER AGENT AND REMARKETING AGENT

Section 11.1. Appointment and Acceptance of Duties of Trustee. (A) [blank] 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 or completeness of the same. The Trustee makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder (except for its certificate of authentication on each Bond) or in respect of the security afforded by this Resolution, any Credit Facility or the Assignment, 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 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 moneys paid to the Corporation. Except with respect to obtaining funds under the Credit Facility in accordance with the provisions of this Resolution, 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 moneys, 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 misconduct.

Section 11.3. Evidence on Which the Trustee May Act. The Trustee shall be protected in acting upon any notice, requisition, 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, (provided that there shall in no case be a delay due to such consultation with respect to any obtaining of funds under the Credit Facility required by this Resolution) 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 moneys 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 of the Corporation, 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, the Credit Issuer, 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 negligence or 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 of the Corporation.

Section 11.4. **Compensation.** The Corporation shall pay or provide for the payment of reasonable compensation to the Trustee from time to time for all services rendered under this Resolution and also all reasonable fees, 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 funds on deposit in or required to be deposited in the Rebate Fund and except funds received from draws under the Credit Facility) 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 depository 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 (60) 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 hereof, and such successor shall have accepted such appointment, in which event such resignation shall take effect immediately on the appointment of and acceptance by such successor; provided, however, no such resignation shall take effect until a successor Trustee has been appointed and such successor has accepted such appointment.

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 or their attorney-in-fact duly authorized, excluding any Bonds held by or for the account of the Corporation; provided, however, no such removal shall take effect until a successor Trustee has been appointed and such successor has accepted such
appointment. The Corporation may remove the Trustee at any time, except during the existence of an Event of Default or an Event of Termination, 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 of the Corporation; provided, however, no such removal shall take effect until a successor Trustee has been appointed and such successor has accepted such appointment.

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 11.8 within forty-five (45) days after the Trustee shall have given to the Corporation written notice, as provided in Section 11.6 hereof, 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) The Trustee and any Trustee appointed under the provisions of this Section 11.8 in succession to the Trustee shall be a trust company or commercial bank, which shall be a Federal depository institution or a state chartered depository institution, having the powers of a trust company within or, if there shall be a Tender Agent resident in the State, 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 moneys, 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 hereof 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 acknowledgments 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, the Servicer, the Credit Issuer and any Bond owner and their agents and their representatives, any of whom may make copies thereof.

Section 11.14. Appointment and Acceptance of Duties of Remarking Agent. (A) An Authorized Officer of the Corporation shall appoint the Remarking Agent or Agents for each Series of the Bonds, with the approval of the Credit Issuer, and each such Remarking Agent shall signify its acceptance of such appointment and the duties and obligations of Remarking Agent hereunder and under the applicable Remarking Agreement by executing and delivering such Remarking Agreement.

(B) A Remarking Agent may be removed or may resign pursuant to the terms of the applicable Remarking Agreement.

(C) In case at any time a Remarking Agent 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 such Remarking Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of such Remarking Agent, or of its property or affairs, a successor Remarking Agent shall be appointed in accordance with the terms of the applicable Remarking Agreement. Any successor Remarking Agent appointed in accordance with the provisions of this Section 11.14 in succession to such Remarking Agent shall be approved in writing by the Credit Issuer and either a member of the Financial Industry Regulatory Authority, Inc. or a bank incorporated under the laws of the United States of America or any state of the United States of America, having a capitalization of at least $15,000,000, whose unsecured debt, if any, has a rating equivalent to or higher than a “Baa-3” long term rating or a “P-3” short term rating issued by the rating agency then rating the applicable Series of the Bonds, and authorized by law to perform all the duties imposed upon it by the applicable Remarking Agreement and this Resolution; provided, however, that no resignation or removal of such Remarking Agent shall take effect until a successor Remarking Agent has been appointed and such successor has assumed the duties and obligations of Remarking Agent.

(D) In the event of the resignation or removal of a Remarking Agent, such Remarking Agent shall pay over, assign and deliver any moneys and Bonds of the applicable Series held by it in such capacity to its successor or, if there be no successor, to the Trustee.

Section 11.15. Appointment and Acceptance of Duties of Tender Agent. (A) Each Tender Agent shall signify its acceptance of the duties and obligations of Tender Agent
hereunder and under the applicable Tender Agent Agreement by executing and delivering the applicable Tender Agent Agreement.

(B) A Tender Agent may be removed or may resign pursuant to the terms of the applicable Tender Agent Agreement.

(C) In case at any time a Tender Agent 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 such Tender Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of such Tender Agent, or of its property or affairs, the Corporation covenants and agrees that it will thereupon appoint a successor Tender Agent with the approval of the Mortgagor and the Credit Issuer, which approvals shall not be unreasonably withheld. Each Tender Agent and any successor Tender Agent appointed under the provisions of this Section 11.15 in succession to a Tender Agent shall be a commercial bank, which shall be a Federal depository institution or a state chartered depository institution, with trust powers and authorized by law to perform all the duties imposed upon it by this Resolution; provided, however, that no resignation or removal of a Tender Agent shall take effect until a successor Tender Agent has been appointed and such successor has assumed the duties and obligations of Tender Agent.

(D) In the event of the resignation or removal of a Tender Agent, such Tender Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee.

(E) In the event that the Corporation shall fail to appoint a successor Tender Agent hereunder, or in the event that a Tender Agent shall resign or be removed, or be dissolved, or if the property or affairs of such Tender Agent shall be taken under the control of any state or Federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Corporation shall not have appointed its successor as Tender Agent, the Trustee, upon receipt of written notice from the Corporation shall ipso facto be deemed to be the Tender Agent for all purposes of this Resolution until the appointment by the Corporation of a successor Tender Agent.
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, from Available Moneys, at the times and in the manner stipulated therein and in this Resolution, and if the Corporation shall pay or cause to be paid the fees and expenses of the Trustee, then the pledge of any Revenues and other moneys, 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 moneys 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 Available Moneys 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 12.1. Except during a Daily Rate Period or Weekly Rate Period, 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 12.1 if: (1) 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 irrevocable instructions to give as provided in Article VI hereof notice of redemption on said date of such Bonds, (2) 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) Available Moneys in an amount which shall be sufficient, or (b) Government Obligations purchased with Available Moneys or (c) obligations (which obligations shall be rated by the national rating agency or agencies then rating said Bonds no lower than the highest rating category assigned by such rating agency or agencies) purchased with Available Moneys (i) validly issued by or on behalf of a state or political subdivision thereof, (ii) the interest on which is excluded from gross income for Federal income tax purposes pursuant to Section 103(a)(1) of the Code and (iii) fully secured by a first lien on Government Obligations, the principal of and the interest on which when due will provide moneys which, together with the Available Moneys, 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 (at the applicable Flexible Rate or Rates during a Flexible Rate Period or at the Term Rate or Fixed Rate during a Term Rate Period or the Fixed Rate Period, respectively) due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be; provided that with respect to any of said Bonds bearing interest at a Flexible Rate, such Bonds shall be redeemed on a Redemption Date which shall be the day immediately following the last day of the then current Flexible Rate Term with respect to such Bonds, and (3) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Corporation shall have given the Trustee in form satisfactory to irrevocable instructions to
give by mail, as soon as practicable, notice to the owners of such Bonds that the deposit required by this subsection (B) has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 12.1 and stating such maturity or Redemption Date upon which moneys are to be available for the payment of the principal or Redemption Price, if any, of said Bonds. Upon receipt of written instructions from the Corporation, the Trustee shall draw on the Credit Facility to make the deposit described in clause (2) of this paragraph (B). To the extent required for the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds, neither Available Moneys deposited with the Trustee pursuant to this Section 12.1 nor principal or interest payments on any Government Obligations or obligations described in clause (c) above deposited with the Trustee pursuant to this Section 12.1 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 deposited with the Trustee pursuant to this Section 12.1, if not then needed for such purpose, shall, to the extent practicable, be reinvested in obligations described in clause (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 any Available Moneys deposited with the Trustee pursuant to this Section 12.1 and principal and interest payments on the obligations described in clause (b) or (c) above, if not required for the payment of said Bonds, and after payment of the fees and expenses of the Trustee, shall be paid over to the Mortgagor, 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 12.1; 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 Available Moneys which, together with the moneys 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 12.1.

(C) If, through the deposit of moneys by the Corporation or otherwise, the Trustee shall hold, pursuant to this Resolution, moneys 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 moneys 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 (3) 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 officer or employee of the Corporation in such officer's or employee'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 officer or employee of the Corporation or any natural person executing the Bonds.

Section 12.3. Notices. Any notice, direction, consent, assent or other communication required or permitted hereunder to be given to the parties listed below shall be deemed validly given only if provided to such parties in writing and delivered personally or sent by registered or certified mail, postage prepaid and return receipt requested, at the following respective addresses:

if to the Corporation, to

New York City Housing Development Corporation
110 William Street
New York, New York 10038
Attention: President

and a copy to

New York City Housing Development Corporation
110 William Street
New York, New York 10038
Attention: General Counsel

if to the Trustee, to

[__________]

if to the Initial Obligor, to

Citibank, N.A.
% Citi Community Capital
Middle Office
390 Greenwich Street, 2nd Floor
New York, New York 10013
Attention: Desk Head, Transaction Management Group
Loan #107040611
Facsimile: (212) 723-8642

with a copy to:

Citibank, N.A.
% Citi Community Capital
Municipal Securities Division
325 East Hillcrest Drive, Suite 160
Thousand Oaks, California 91360
Attention: Operations Manager/Asset Manager
Loan #107040611
Facsimile: (805) 557-0924

with a copy to:

Citigroup Inc.
% Citi Community Capital
Municipal Securities Division
388 Greenwich Street
New York, New York 10013
Attention: General Counsel's Office
Loan #107040611
Facsimile: (212) 723-8939

with a copy to:

Citigroup Inc.
Transaction Management Group
390 Greenwich Street, 2nd Floor
New York, New York 10013
Attention: Michael Nuccio
Loan #107040611
Facsimile: (866) 461-9894

if to the Mortgagor, to

[__________]
[__________]
New York, New York [__________]
Attention: [__________]

with a copy to

Michael, Levitt & Rubenstein, LLP
60 Columbus Circle
New York, New York 10023
Attention: David Boccio, Esq.

and a copy to

Hirschen Singer & Epstein LLP
902 Broadway, 13th Floor
New York, New York 10010
Attention: Alan Epstein, Esq.