

**NOTE:** The attached document is the Bond Trust Indenture for the CDFI Bond Guarantee Program. This is the document that the Master Servicer/Trustee will enter into with each Qualified Issuer under the CDFI Bond Guarantee Program.

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**QUALIFIED ISSUER] Future Advance Promissory Bond, [YEAR]-[BOND #] ([ELIGIBLE CDFI])**

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**CDFI BOND GUARANTEE PROGRAM  
BOND TRUST INDENTURE**

As Between

**[QUALIFIED ISSUER],**

as Qualified Issuer

and

**The Bank of New York Mellon,**  
as Master Servicer/Trustee

**Dated as of \_\_\_\_\_, 20\_\_**

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## **BOND TRUST INDENTURE**

**THIS BOND TRUST INDENTURE**, dated as of \_\_\_\_\_, 20\_\_ (Bond Indenture), between [**QUALIFIED ISSUER**], a \_\_\_\_\_ organized under the laws of \_\_\_\_\_ (Qualified Issuer), and **The Bank of New York Mellon**, a New York corporation, having its principal corporate trust office in New York, as master servicer and trustee (Master Servicer/Trustee);

### **RECITALS:**

**WHEREAS**, pursuant to the Small Business Jobs Act of 2010, Pub. L. 111-240, section 1134, 12 U.S.C. § 4713a, as amended (the Act), the Secretary of the Treasury (the Secretary) has entered into an Agreement to Guarantee dated as of \_\_\_\_\_, with the Qualified Issuer (such agreement, as it may be amended from time to time, being the Agreement to Guarantee); and

**WHEREAS**, pursuant to the Act and subject to the terms and conditions of the Agreement to Guarantee, the Secretary has agreed to guarantee the timely payment of qualified Bonds to be issued by the Qualified Issuer as part of a Bond Issue in an amount of at least \$100,000,000, but not exceeding \$[750,000,000], plus interest and Call Premiums (the Guarantee); and

**WHEREAS**, the Bonds are authorized to be issued to obtain funds for making certain bond loans (in each case, the Bond Loan) to certain Eligible CDFIs in order for such Eligible CDFIs to (i) finance or Refinance for community or economic development purposes described in 12 U.S.C. § 4707(b) including, but not limited to, community or economic development purposes in Low-Income Areas or Underserved Rural Areas, as deemed eligible by the CDFI Fund in its sole discretion; (ii) pay Bond Issuance Fees in an amount not to exceed one percent (1%) of Bond Loan proceeds; and (iii) capitalize loan loss reserves in an amount that is up to five percent (5%) of the par amount of the Bond Loan, or such other amount that is determined by the CDFI Fund in its sole discretion; and

**WHEREAS**, the Agreement to Guarantee provides that the Secretary will guarantee a Bond Issue, issued by the Qualified Issuer to obtain funds for making Bond Loans, in an aggregate principal amount equal to not less than \$100,000,000; and

**WHEREAS**, the Agreement to Guarantee further provides that each Bond Loan shall be made under a separate and distinct loan agreement (in each case, the Bond Loan Agreement) between the Qualified Issuer and the respective Eligible CDFI, pursuant to which (i) the Qualified Issuer will lend to the respective Eligible CDFI, and the respective Eligible CDFI will borrow from the Qualified Issuer, an amount equal to the aggregate principal amount of the particular portion of a Bond Issue attributable to the making of the respective Bond Loan, and (ii) the respective Eligible CDFI will agree to repay the respective Bond Loan in such amounts and at such times as needed to enable the Qualified Issuer to, together with the payments received on the other Bond Loans arising out of the Bond Issue, pay the principal of, the interest on, and any Call Premiums with respect to the particular Bond issued to obtain funds for making

the respective Bond Loan, when and as due, whether at maturity, upon prepayment, by acceleration or otherwise; and

**WHEREAS**, the Agreement to Guarantee also provides that the obligation of each Eligible CDFI to repay the respective Eligible CDFI's Bond Loan will (i) be evidenced by a promissory note (in each case, the "Note") made by the respective Eligible CDFI payable to the Qualified Issuer in the maximum principal amount of the maximum amount that may be advanced under the particular Bond Loan Agreement relating to the respective Bond Loan, and (ii) be secured by a first Lien on such collateral as may be required by the CDFI Fund in accordance with the Act and the Agreement to Guarantee; and

[**WHEREAS**, the Qualified Issuer, the Assignor Qualified Issuer, and the Secretary entered into the Assignment and Performance Guarantee pursuant to which the Assignor Qualified Issuer assigned to the Qualified Issuer all of CRF's rights, and duties under the Agreement to Guarantee, other than the Guarantee Obligations (as defined in the Agreement to Guarantee), and the Qualified Issuer accepted such assignment and agreed to be bound by all of the terms, conditions and agreements of the Agreement to Guarantee and any subsequent amendments thereto, and to perform all of the Qualified Issuer's duties under the Agreement to Guarantee, other than the Guarantee Obligations; and ]

**WHEREAS**, the Qualified Issuer has determined to secure the repayment of each Bond by the assignments contained herein from the Qualified Issuer to the Master Servicer/Trustee, pursuant to which the Qualified Issuer (i) assigns to the Master Servicer/Trustee, for the benefit of the Bondholder, certain of its rights under this Bond Indenture and the particular Bond Loan Agreement and the collateral relating to the respective Bond Loan, and (ii) endorses without recourse to the order of, and pledges and assigns to, the Master Servicer/Trustee, for the benefit of the Bondholder, the particular Note relating to the respective Bond Loan; *provided, however*, that each Bond Issue shall be nonrecourse to the Qualified Issuer; and

**WHEREAS**, the Master Servicer/Trustee has accepted the trusts created by this Bond Indenture and in evidence thereof has joined in the execution hereof.

**NOW, THEREFORE**, in consideration of the premises, of the acceptance by the Master Servicer/Trustee of the trusts hereby created, of the purchase and acceptance of the Bonds by the Bondholder, and of the issuance by the Secretary of the Guarantee and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, delivered, secured and accepted by the Bondholder, and in order to secure the payment of the Bonds at any time issued and outstanding hereunder, the Call Premium, if any, and the interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained;

**THE QUALIFIED ISSUER DOES HEREBY PLEDGE AND ASSIGN**, and grant a security interest unto the Master Servicer/Trustee and its successors and assigns for the benefit of the Bondholder, all right, title and interest of the Qualified Issuer presently owned or hereafter acquired in and to the following (collectively, the "Trust Estate"):



(a) Each Bond Loan Agreement (as the same may from time to time be supplemented or amended), including, but not limited to, all payments of principal, Call Premium, if any, and interest due and to become due under each respective Note related to such Bond Loan Agreement and under such Bond Loan Agreement whether made at their respective due dates or as prepayments permitted or required by such Bond Loan Agreement, together with full power and authority, in the name of the Qualified Issuer or otherwise, to demand, receive, enforce, collect or receipt for any or all of the foregoing, to endorse or execute any checks or other instruments or orders, to file any claims and to take any action which the Master Servicer/Trustee may deem necessary or advisable in connection therewith, and the Qualified Issuer hereby irrevocably appoints the Master Servicer/Trustee attorney-in-fact of the Qualified Issuer for such purposes, which appointment is coupled with an interest and is irrevocable; *provided, however*, that the Qualified Issuer shall continue to have all the rights, together with the Master Servicer/Trustee, contained in each Bond Loan Agreement and described below:

- (i) All rights described in Article 3 pertaining to Advances under the Loan;
- (ii) All rights described in Section 5.1 pertaining to the Qualified Issuer's right to receive and request certain information;
- (iii) All rights described in Section 5.2 pertaining to the Qualified Issuer's right of access to inspect and review the particular Eligible CDFI described in the respective Bond Loan Agreement and certain records;
- (iv) All rights described in Section 5.4 pertaining to the Qualified Issuer's right to be advised of material events;
- (v) All rights described in Section 5.6 pertaining to insurance requirements;
- (vi) All rights described in Section 5.16(f) pertaining to the approval of the Eligible CDFI's engagement of the Escrow Agent;
- (vii) All rights described in Section 6.3(a) and (e) pertaining to the merger, consolidation or transfer of an Eligible CDFI;
- (viii) All rights described in Section 8.1 pertaining to reasonable requests to the Eligible CDFI for further assurances;
- (ix) All rights described in Section 8.3 pertaining to waiver of rights by failure or indulgence;
- (x) All rights to receive notices required to be given to the Qualified Issuer; and

*provided, further,* that the Qualified Issuer shall continue to have all the rights, exclusive of the Master Servicer/Trustee, contained in the Bond Loan Agreement and described below:

(xi) The right to receive the Qualified Issuer Fee described in Section 2.6(b) and any other fees and expenses, specifically payable to the Qualified Issuer including, but not limited to, the rights described in Section 5.11 pertaining to the Qualified Issuer's right to receive payment for costs and expenses, the rights described in Section 8.4 pertaining to the Qualified Issuer's right to reimbursement of fees and expenses, as well as any remedies available to the Qualified Issuer under the Bond Loan Agreement to recover the foregoing fees, costs, and expenses; and

(xii) The rights described in Section 5.12 pertaining to the Qualified Issuer's right to certain indemnities (exclusive of the Master Servicer/Trustee's rights to certain indemnities); items (a) (i) through (xii) are hereafter referred to as the "Bond Loan Agreement Reserved Rights".

(b) Each Note of the Eligible CDFI payable to the Qualified Issuer evidencing such Eligible CDFI's obligation to repay its Bond Loan made by the Qualified Issuer to such Eligible CDFI pursuant to the respective Bond Loan Agreement, together with interest thereon, Call Premium, if any, and other amounts with respect thereto, as provided for in such Bond Loan Agreement, the Qualified Issuer hereby agreeing to endorse, pledge and assign such Note without recourse to the order of, and to deliver the same to, the Master Servicer/Trustee as security for the obligations of the Qualified Issuer to the Master Servicer/Trustee hereinafter referred to;

(c) Each Escrow Agreement (as the same may from time to time be supplemented or amended) entered into pursuant to Section 5.16(f) of the Bond Loan Agreement; provided, however, that the Qualified Issuer shall continue to have all the rights, together with the Master Servicer/Trustee, contained in each Escrow Agreement (such rights of the Qualified Issuer being the "Escrow Agreement Reserved Rights");

(d) [Each Custody Agreement (as the same may from time to time be supplemented or amended) entered into pursuant to Section 5.16(g) of the Bond Loan Agreement; provided, however, that the Qualified Issuer shall continue to have all the rights, together with the Master Servicer/Trustee, contained in each Custody Agreement (such rights of the Qualified Issuer being the "Custody Agreement Reserved Rights"); the Custody Agreement Reserved Rights, together with the Bond Loan Agreement Reserved Rights and the Escrow Agreement Reserved Rights are hereafter referred to as the "Reserved Rights";]

(e) All money or securities at any time from time to time held by the Master Servicer/Trustee under the terms of this Bond Indenture including such monies on deposit in, in transit to or credited to any account or fund created hereunder, including without limitation the Revenue Fund, the Project Fund, the Risk-Share Pool Fund, the Relending Fund, the Bond Issuance Fees Fund and the Debt Service Fund;

(f) The Revenues;

(g) All money or securities at any time from time to time held by [the][each] Escrow Agent under the terms of [the][each] Escrow Agreement excluding, however, such monies on deposit in, in transit to or credited to any account or fund created thereunder required to be set aside in segregated accounts for taxes, insurance, replacement, operating or other reserves; and

(h) Any and all Collateral,

and it is so mutually agreed and covenanted by and between the parties hereto for the equal and proportionate benefit and security of the Bondholder, except as hereinafter provided, without preference or priority of any one Bond over any other Bond, by reason of priority in the issue, sale or negotiation thereof or otherwise, and as security for the fulfillment of the obligations of the Qualified Issuer hereunder, *provided, however*, that, except as provided in Section 403, nothing contained herein, shall be deemed to grant to the Bondholder (or to the Master Servicer/Trustee for the benefit of the Bondholder) a security interest in the collateral described above that relates to a different Bond;

**TO HAVE AND TO HOLD** the same forever, subject, however, to the exceptions, reservations (including the Reserved Rights) and matters therein and herein recited but **IN TRUST**, nevertheless, for the benefit and security of the Bondholder from time to time of the Bonds delivered hereunder and issued by the Qualified Issuer and outstanding;

**PROVIDED, HOWEVER**, that if, after the right, title and interest of the Master Servicer/Trustee in and to the Trust Estate pledged and assigned to it under this Bond Indenture shall have ceased, terminated and become void in accordance with Section 1106 hereof, the principal of and interest on the Bonds and any other obligations arising hereunder shall have been paid to the Bondholder or shall have been paid by the Eligible CDFI pursuant to Section 1106 hereof, then, this Bond Indenture and all covenants, agreements and other obligations of the Qualified Issuer hereunder shall cease, terminate and be void, and thereupon the Master Servicer/Trustee shall cancel and discharge this Bond Indenture and execute and deliver to the Qualified Issuer and each Eligible CDFI such instruments in writing as shall be required to evidence the discharge hereof; otherwise, this Bond Indenture shall be and remain in full force and effect; and

**PROVIDED, FURTHER**, that the Master Servicer/Trustee does not undertake or assume any obligations of the Qualified Issuer except as set forth in this Bond Indenture; *provided, however*, the Master Servicer/Trustee does hereby undertake and assume all the rights of the Qualified Issuer (except Reserved Rights) as set forth in the Bond Loan Agreement.

This Bond Indenture **FURTHER WITNESSETH**, and it is expressly declared, that the Bonds issued and secured hereunder are to be issued and delivered and the Trust Estate and other revenues and funds herein pledged and assigned are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Qualified Issuer has agreed and covenants, and does hereby agree and covenant, with the Master Servicer/Trustee and with the Bondholder, as follows, that is to say:

## **ARTICLE I**

### **Definitions**

Section 101. Definitions. All words and terms defined in Article 1 of the Bond Loan Agreement shall have the same meanings in this Bond Indenture, unless otherwise specifically defined herein. In addition, the following words and terms as used in this Bond Indenture shall have the following meanings unless some other meaning is plainly intended:

“Act” means section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994 (Pub. L. 103-325, 108 Stat. 2160), as added by section 1134 of the Small Business Jobs Act of 2010 (Pub. L. No. 111-240, 124 Stat. 2504, 2515), codified at 12 U.S.C. § 4713a.

“Advance” means the funds actually advanced by the Bondholder pursuant to a request for an advance of funds submitted by the Qualified Issuer under Section 302 of this Bond Indenture.

“Affiliate” means any entity that controls, is controlled by, or is under common control with, another entity. Control means (1) ownership, control or power to vote twenty-five percent (25%) or more of the outstanding shares of any class of voting securities (as defined in 12 C.F.R. § 1805.104(mm)) of any legal entity, directly or indirectly or acting through one or more other person; or (2) control in any manner over the election of a majority of the directors, trustee, or general partners (or individual exercising similar functions) of any legal entity; or (3) the power to exercise directly or indirectly, a controlling influence, as determined by the CDFI Fund, over the management, credit decisions, investment decisions, or policies of any legal entity. The terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Agency Administrative Fee” means a fee in an amount equal to ten (10) basis points (0.1 percent) of the amount of the unpaid principal of the Bond Issue, payable annually to the CDFI Fund by the Qualified Issuer, as provided in Section 402 hereof.

“Agreement to Guarantee” means the written agreement, dated as of \_\_\_\_\_, 20\_\_, between the Guarantor and the Qualified Issuer which sets forth the terms and conditions on which the Guarantor will provide the Guarantee as now or hereafter amended or supplemented from time to time.

“Approved Disbursement Amount” shall have the meaning ascribed thereto in each Bond Loan Agreement, as applicable.

[“Assignment and Performance Guarantee” shall mean the Assignment and Performance Guarantee Agreement and Consent to Assignment dated \_\_\_\_\_, by and among CRF, the Qualified Issuer and the Secretary, as now or hereafter amended, restated or supplemented.]

“Bankruptcy Related Event” means (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Eligible CDFI, the Qualified Issuer or any of either of their debts, or of a substantial part of the assets of the Eligible CDFI or the Qualified Issuer, respectively, under any

Insolvency Law, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Eligible CDFI or the Qualified Issuer, respectively, or for a substantial part of the assets of the Eligible CDFI or the Qualified Issuer, respectively, and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or (b) the Eligible CDFI or the Qualified Issuer shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Eligible CDFI or the Qualified Issuer, respectively, or for a substantial part of the assets of the Eligible CDFI or the Qualified Issuer, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, or (v) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any Insolvency Law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (vii) take any action for the purpose of effecting any of the foregoing.

“Bond” or “Bonds” means the \$\_\_\_\_\_ [QUALIFIED ISSUER] Future Advance Promissory Bonds, [YEAR-\_\_] ([NAME OF ELIGIBLE CDFI]), constituting a security, in the form of a draw-down bond or note issued by the Qualified Issuer, with each Advance thereunder bearing interest at an applicable Bond Rate established by the Bond Purchaser in accordance with Section 1808.300 of the Regulations, as may be amended, and sold to the Bond Purchaser, the proceeds of which will be used for Eligible Purposes, and which benefits from a Guarantee, and as is more fully described in Article II hereof.

“Bond Counsel” means initially, \_\_\_\_\_, or any other law firm having a national reputation in the field of public finance law, whose opinions are generally accepted by bondholders, appointed by resolution of the Qualified Issuer with the approval of the CDFI Fund.

“Bond Documents” mean the respective Bonds, Bond Purchase Agreement, Bond Indenture, Agreement to Guarantee, [Assignment and Performance Guarantee, ]Guarantee, Reimbursement Note, and all other instruments and documentation pertaining to the issuance of the respective Bonds.

“Bond Indenture” means this Bond Trust Indenture dated as of \_\_\_\_\_, 2014, between the Lender and the Master Servicer/Trustee, as amended or supplemented.

“Bond Issuance Fees” means amounts paid or owed by an Eligible CDFI for reasonable and necessary expenses, administrative costs, and fees for services incurred in connection with the issuance of the Bonds (but not including the Agency Administrative Fee) and the making of the Bond Loan and shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, initial fees and charges of the Master Servicer/Trustee, legal fees and charges, professional consultants’ fees, fees and charges for execution, transportation and safekeeping of the Bonds, premiums, fees and charges for insurance of the Bonds, costs and

expenses of refunding the Bond and other costs, charges and fees, including those of the Qualified Issuer, the Master Servicer/Trustee, and their respective counsel, advisors, in connection with the foregoing. The “FFB Financing Option Fees” paid to the Federal Financing Bank for the right to prepay any Bond, as provided in the Bond Purchase Agreement, shall not be treated as Bond Issuance Fees.

“Bond Issuance Fees Fund” means the trust fund so designated which is established pursuant to Section 307 hereof.

“Bond Issue” means at least \$100,000,000, and no more than \$750,000,000, in aggregate principal amount of Bonds covered by a single Guarantee; each Bond in the Bond Issue being in the minimum principal amount of at least \$10,000,000.

“Bond Issue Date” means the date on which the Bond is deemed to be issued or originated and is the effective date of the Bond Documents.

“Bond Loan” means a loan of Bond Proceeds by the Qualified Issuer to an Eligible CDFI, in an initial principal amount that is not less than \$10,000,000 and Bond Loan proceeds must be used for Eligible Purposes.

“Bond Loan Agreement” means an agreement between the Qualified Issuer and each Eligible CDFI receiving a Bond Loan, the provisions of which shall govern the terms and conditions of such Bond Loan, the terms of which agreement (and any amendments thereto) shall have been approved in advance and in writing by the CDFI Fund.

“Bond Loan Documents” means the Bond Documents together with the Bond Loan Agreement, the Note and any other agreement, document or instrument, made or executed pursuant to the Bond Loan.

“Bond Loan Payment Default Rate” means, in the event of a Bond Loan payment default, the applicable interest rate on any overdue amount from its due date to the date of actual payment and shall be calculated in the same manner as a late charge rate is calculated in the underlying Bond.

“Bond Loan Rate” means the rate of interest for each advance of funds under a Bond Loan. The Bond Loan Rate shall at all times equal the Bond Rate.

“Bond Loan Requirements” means the credit criteria established by the CDFI Fund for assessing the creditworthiness and capacity of each Eligible CDFI applicant to receive a Bond Loan.

“Bond Proceeds” means the funds that are advanced by the Bondholder to the Qualified Issuer under a Bond.

“Bond Purchase Agreement” means an agreement executed by the Qualified Issuer, the Bondholder, the Guarantor, and the CDFI Fund, the provisions of which shall govern the terms and conditions of the purchase of Bonds.

“Bond Rate” means the rate of interest for each advance of funds under a Bond.

“Bondholder” means the Federal Financing Bank, the body corporate and instrumentality of the Federal Government created by the Federal Financing Bank Act of 1973 (12 U.S.C. § 2281 *et seq.*), its successors and assigns.

“Business Day” shall mean any day on which both the Federal Financing Bank and the Federal Reserve Bank of New York are open for business.

“Call Premium” means, with respect to any 2014-[ ] Bond, the premium, if any, that is due as a result of the prepayment of such 2014-[ ] Bond.

“Certified CDFI” means a financing entity that has a primary mission of promoting community development and that has been certified by the CDFI Fund as meeting the eligibility requirements set forth in 12 C.F.R. § 1805.201, as amended.

“CDFI” means a Community Development Financial Institution, a financing entity that has a primary mission of promoting community development.

“CDFI Bond Guarantee Program” means the program created by the Act.

“CDFI Fund” means the Community Development Financial Institutions Fund, the U.S. Department of the Treasury, established under the Riegle Community Development Banking and Financial Institutions Act of 1994 12 U.S.C. § 4701 *et seq.*, as amended.

“Collateral” means all real and personal property which is subject to the senior security interests or first Liens granted under any security document, including (a) the “Bond Loan Collateral”, as defined in each Bond Loan Agreement relating to any Bond and (b) the Trust Estate, including the Proceeds thereof.

“Cost” or “Costs” or “Costs of the Eligible Purpose” means all costs, as determined by the Qualified Issuer, properly allocated to or necessary in connection with an Eligible Purpose, including but not limited to, as applicable:

- (A) The principal balance or acquisition price with respect to the financing or Refinancing of a Secondary Loan;
- (B) The prefunding of the first monthly principal, interest or debt service installment payment related to the Bond;
- (C) the capitalization of Loan Loss Reserves in an amount that is up to five percent (5%) of the par amount of the Bond Loan, or such other amount that is determined by the CDFI Fund in its sole discretion;
- (D) any sums required to reimburse the Secondary Borrower, the Eligible CDFI or the Qualified Issuer for advances made by any of them for costs of services or materials incurred for work done by the Secondary Borrower in connection with the Eligible Purpose; and

(E) Bond Issuance Fees.

“Credit Enhancement” means such instrument or document proffered by an Eligible CDFI to enhance the credit quality of the Bond and/or Bond Loan. Credit Enhancements include, but are not limited to pledges of financial resources and lines and letters of credit issued by an Eligible CDFI; an Affiliate; a regulated financial institution; a foundation; or another entity. The Risk-Share Pool Fund is not a form of Credit Enhancement.

“Custody Agreement” shall have the meaning ascribed thereto in each Bond Loan Agreement, as applicable.

“Debt Service Account” means the applicable debt service account of the Debt Service Fund established pursuant to Section 403(a) hereof.

“Debt Service Fund” means the trust fund so designated which is established pursuant to Section 403(a) hereof.

“Due Date” shall have the meaning ascribed thereto in Section 403(d) hereof.

“Eligible CDFI” means a Certified CDFI that has submitted an application to the Qualified Issuer for a Bond Loan, has been deemed creditworthy based on the Bond Loan Requirements, and has received a Bond Loan.

“Eligible CDFI Representative” means any officer of the Eligible CDFI, any other person designated in writing by the chief executive officer, chief financial officer, or comparable officer of the Eligible CDFI, or any other person or entity expressly named in the Eligible CDFI’s organizational documents, to act as its authorized representative, for the purpose of taking all actions and making all certifications required to be taken and made by the Eligible CDFI Representative under the provisions of the Bond Loan Documents, the identity of such Eligible CDFI Representatives and specimen signatures thereof to be evidenced by an incumbency certificate executed by the Secretary or Assistant Secretary or comparable officer of the Eligible CDFI and delivered to the Master Servicer/Trustee and the Qualified Issuer.

“Eligible Community or Economic Development Purpose” or “Eligible Purpose” means the allowable uses of Bond Proceeds and Bond Loan Proceeds, which include: (i) financing or Refinancing community or economic development purposes described in 12 U.S.C. § 4707(b) including, but not limited to, community or economic development purposes in Low-Income Areas or Underserved Rural Areas, as deemed eligible by the CDFI Fund in its sole discretion; (ii) Bond Issuance Fees in an amount not to exceed one percent (1%) of Bond Loan proceeds; and (iii) capitalization of Loan Loss Reserves in an amount that is up to five percent (5%) of the par amount of the respective Bond Loan, or such other amount that is determined by the CDFI Fund in its sole discretion. The financing or Refinancing (which includes acquisition) of Secondary Loans by the Eligible CDFI shall also constitute an Eligible Purpose.

“Escrow Agent” shall have the meaning ascribed thereto in each Bond Loan Agreement, as applicable.



“Escrow Agreement” shall have the meaning ascribed thereto in each Bond Loan Agreement, as applicable.

“Event of Default”, with respect to a Bond, means any of the events with respect to such Bond specified in Section 801 hereof (or in the Supplemental Indenture for such Bond) to be an Event of Default.

“Excess Interest Account” means the trust account of the Risk-Share Pool Fund which is established pursuant to Section 306 hereof.

“Government Obligations” means a direct obligation of the United States, an obligation guaranteed as to both principal and interest by the United States, an obligation (other than an obligation subject to variation in principal repayment) to which the full faith and credit of the United States are pledged, and a certificate or other instrument which evidences ownership of, or the right to receive all or a portion of the payment of the principal of or interest on, direct obligations of the United States.

“Governmental Authority” means any nation, state, sovereign or government, any federal, regional, state or local government or political subdivision thereof or any other entity exercising executive, legislative, judicial, regulatory or administrative powers or functions of or pertaining to government and having jurisdiction over the Person or matters in question.

“Guarantee” means the guarantee, issued by the Guarantor pursuant to the Agreement to Guarantee, of the repayment of one hundred percent (100%) of the Verifiable Losses of Principal, Interest, and Call Premium, if any, on the corresponding Bonds issued as part of a Bond Issue, as described in the preamble hereof.

“Guarantee Application” means the application document that a Qualified Issuer submits in order to apply for a Guarantee.

“Guarantor” means the Secretary or the Secretary’s designee.

“Insolvency Laws” means the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership or similar law now or hereafter in effect.

“Interest Sub-account” means the interest sub-account of the applicable Debt Service Account within the Debt Service Fund established pursuant to Section 403 hereof.

“Interest Payment Date” means each of the payment dates set forth on the first page of the Bond.

“Lien” means any mortgage, pledge, security interest, lien, judgment lien, easement, or other encumbrance on title, including, but not limited to, any mortgage or pledge of, security interest in or lien or encumbrance on any Bond Loan Collateral of the respective Eligible CDFI which secures any Debt or any obligation of any person other than an obligation to the respective Eligible CDFI.

“Loan Deposit,” with respect to a Bond Loan, shall have the meaning ascribed thereto in the Bond Loan Agreement for such Bond Loan.

“Loan Loss Reserves” means the use of proceeds of a Bond Loan (secured by a Principal Loss Collateral Provision) for a set aside in the form of cash reserves that serve as a safeguard to protect the Eligible CDFI against future losses for any loans for community or economic development purposes described in 12 U.S.C. 4707 (b), including community or economic development purposes in Low-Income Areas or Underserved Rural Areas, within the Eligible CDFI’s portfolio.

“Low-Income Areas” means a census tract or block numbering area in which the median income does not exceed 80 percent of the median income for the area in which such census tract or block numbering area is located. With respect to a census tract or block numbering area located within a Metropolitan Area, the median family income shall be at or below 80 percent of the Metropolitan Area median family income or the national Metropolitan Area median family income, whichever is greater. In the case of a census tract or block numbering area located outside of a Metropolitan Area, the median family income shall be at or below 80 percent of the statewide non-Metropolitan Area median family income or the national non-Metropolitan Area median family income, whichever is greater.

“Master Servicer/Trustee” means The Bank of New York Mellon, a New York banking corporation, and its successors in the trust hereunder.

“Maturity Date,” for each Bond, means the date on which the final payment of principal is due and payable on each Advance of such Bond, as provided in the particular Supplemental Indenture authorizing the issuance of such Bond, which date shall, in any event, not be later than twenty-nine and one-half (29.5) years after the Bond Issue Date.

“Metropolitan Area” means an area that contains an urban core based statistical area of 50,000 or more population and is designated as such by the Office of Management and Budget pursuant to 44 U.S.C. 3504(e), 31 U.S.C. 1104(d) and Executive Order 10253 (3 CFR, 1949–1953 Comp., p. 758), as amended.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, its successors and assigns, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency.

“Note” shall have the meaning ascribed thereto in the sixth recital paragraph hereof.

“Other Pledged Loans” means other loans pledged as Bond Loan Collateral, owned by the Eligible CDFI the terms of which comply with the Secondary Loan Requirements such that they would be classified as Secondary Loans if they were made from Bond Loan proceeds. The Other Pledged Loans, as of any date, shall be such loans as are set forth in an Itemization of Collateral in effect as of such date, accompanied by a Certification of Collateral, including delivery of the related promissory notes.

“Outstanding,” in connection with Bonds means, as of the time in question, all Bonds delivered under this Bond Indenture, except:

- (i) Bonds theretofore canceled or required to be canceled under Section 208 hereof;
- (ii) Bonds which are deemed to have been paid in accordance with Section 1106 hereof; and
- (iii) Bonds in substitution for which other Bonds have been delivered pursuant to Article II hereof.

“Payment Date” means any Principal Payment Date or any Interest Payment Date.

“Principal Sub-account” means the principal sub-account of the applicable Debt Service Account within the Debt Service Fund established pursuant to Section 403 hereof.

“Principal Loss Collateral Provision” means a cash or cash equivalent guarantee or facility provided in lieu of (or in addition to) pledged collateral set forth in the Bond Documents or Bond Loan Documents.

“Principal Office” of the Master Servicer/Trustee means the office which, at the time in question, is designated as its corporate trust office from which its business hereunder is principally conducted, which office, at the date hereof, is the office of the Master Servicer/Trustee referred to in Section 1202 of this Bond Indenture.

“Principal Payment Date,” for each Bond, means the date on which principal or prepayment price is due and payable on the Bond, as provided in the particular Supplemental Indenture authorizing the issuance of such Bond.

“Proceeds” means “proceeds” as such term is defined in the UCC or under other relevant law and, in any event, shall include, but shall not be limited to, (i) any and all proceeds of, or amounts (in whatsoever form, whether cash, securities, property or other assets) received under or with respect to, any insurance, indemnity, warranty or guaranty payable to the Eligible CDFI or the Master Servicer/Trustee from time to time, and claims for insurance, indemnity, warranty or guaranty effected or held for the benefit of the Eligible CDFI or the Master Servicer/Trustee, in each case with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever, whether cash, securities, property or other assets) made or due and payable to the Eligible CDFI or the Master Servicer/Trustee from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority (or any person acting under color of Governmental Authority), and (iii) any and all other amounts (in any form whatsoever, whether cash, securities, property or other assets) from time to time paid or payable under or in connection with any of the Collateral (whether or not in connection with the sale, lease or other disposition of the Collateral).

“Project Fund” means the trust fund so designated which is established pursuant to Section 301(a) hereof.

“Qualified Issuer” means **[INSERT QUALIFIED ISSUER]**, the entity that meets the qualification requirements set forth in section 1808.200 of the Regulations, and that has been approved as such by the CDFI Fund pursuant to review and evaluation of the Qualified Issuer Application.

“Qualified Issuer Fee,” for any Bond Loan, shall have the definition contained in the applicable Bond Loan Agreement.

“Qualified Issuer Representative” means the Authorized Representative of the Qualified Issuer, as named in the Agreement to Guarantee, the identity of such Qualified Issuer Representative and any Qualified Issuer Representative referred to in the following sentence and the specimen signatures thereof to be evidenced by an incumbency certificate executed by the Secretary or Assistant Secretary or comparable officer of the Qualified Issuer and delivered to the Master Servicer/Trustee and CDFI Fund. The term shall include any other officer or officers of the Qualified Issuer who are authorized in writing to act on behalf of the Qualified Issuer whenever, by reason of absence, illness, replacement or other reason, the Authorized Representative of the Qualified Issuer is unable to act.

“Redemption Sub-account” means the redemption sub-account of the applicable Debt Service Account within the Debt Service Fund established pursuant to Section 403 hereof.

“Refinance” means the use of Bond Proceeds to refinance an Eligible CDFI’s or Secondary Borrower’s existing loan, which loan must have been used for an Eligible Purpose.

“Regulations” means the regulations governing the CDFI Bond Guarantee Program set forth at 12 C.F.R. Part 1808, as they may be amended from time to time.

“Reimbursement Note” means the note executed and delivered by each Eligible CDFI to the United States of America, to evidence such Eligible CDFI’s obligation to reimburse the Guarantor for any payments made by the Guarantor pursuant to a Guarantee.

“Relending Account Maximum” has the meaning given such term in Section 308 hereof.

“Relending Fund” means the trust fund so designated which is established pursuant to Section 308 hereof.

“Representative” means either the Eligible CDFI Representative or the Qualified Issuer Representative, as applicable.

“Responsible Officer,” when used with respect to the Master Servicer/Trustee, means any vice president, any assistant vice president, any assistant treasurer, any trust officer or assistant trust officer, any associate or senior associate or any other officer of the Master Servicer/Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject and who, in each case, shall have direct responsibility for the administration of this Bond Indenture, the identity of such Responsible Officers referred to in this sentence and the specimen signatures thereof, to be evidenced by an incumbency certificate executed by the Secretary or Assistant Secretary of the Master Servicer/Trustee or other corporate officer of the Master Servicer/Trustee and delivered to the Qualified Issuer and the CDFI Fund; and when used with respect to the Qualified Issuer, means any officer or any vice president and also means, with respect to a particular matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Revenue Fund” means the trust fund so designated which is established pursuant to Section 402 hereof.

“Revenues” means (a) all Loan Deposits and all other amounts payable to the Master Servicer/Trustee with respect to the principal, Call Premium, if any, or interest on, the Bonds (i) by the Eligible CDFIs under the Notes, and (ii) by transfer from the Project Fund pursuant to Section 304 hereof, and (b) investment income with respect to any monies held by the Master Servicer/Trustee in the Debt Service Fund.

“Risk-Share Pool Fund” means the trust fund so designated which is established pursuant to Section 306 hereof.

“Risk-Share Pool Requirement,” for any Bond Loan, means, in the case of each Advance, an amount equal to three percent (3%) of the respective Approved Disbursement Amount.

“S&P” means Standard & Poor’s Ratings Group, a division of McGraw-Hill, Inc., its successors and assigns, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency.

“Secondary Borrower” means an entity that has made application to the Eligible CDFI for a Secondary Loan, been deemed creditworthy by the Eligible CDFI, meets the criteria set forth in the applicable Secondary Loan Requirements to receive a Secondary Loan, and has received a Secondary Loan.

“Secondary Loan” means the use of Bond Loan proceeds by an Eligible CDFI to finance or Refinance a loan to a Secondary Borrower for Eligible Purposes, which meets the applicable Secondary Loan Requirements.

“Secondary Loan Documents” means the promissory note, loan agreement and any other documents executed by each Secondary Borrower in connection with the making of each Secondary Loan by the Eligible CDFI.

“Secondary Loan Requirements” means the minimum required criteria, such as is in effect at the time the loan is made with Bond Loan proceeds or when it becomes an Other Pledged Loan or Secondary Loan, established by the CDFI Fund and used by the Eligible CDFI (in addition to the Eligible CDFI’s underwriting criteria) to evaluate a request by a Secondary Borrower applicant for a Secondary Loan.

“Secretary” means the Secretary of the Treasury, or his designee.

“State” means the District of Columbia.

“Sub-servicer” means the sub-servicer selected by the Master Servicer/Trustee pursuant to Section 915 hereof.

“Supplemental Indenture” means any trust agreement supplemental or amendatory to this Bond Indenture which authorizes the issuance of a particular Bond.

“Underserved Rural Areas” means an area that has significant unmet needs for loans, Equity Investments, or Financial Services (as those terms are defined in 12 C.F.R. § 1805.104) and is not contained within either a Consolidated Metropolitan Statistical Area or Primary Metropolitan Statistical Area, as such areas are defined in OMB Bulletin No. 99-04 (Revised Statistical Definitions of Metropolitan Areas and Guidance on Uses of MA Definitions).

“Uniform Commercial Code” or “UCC” means the Uniform Commercial Code, as in effect from time to time in the applicable state.

“Verifiable Losses of Principal, Interest, and Call Premium” means any portion of required debt payments related to or arising out of a Bond and Bond Loan, or the enforcement of either of them, that the Qualified Issuer is unable to satisfy.

Section 102. Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words “Bond,” “Bondholder,” and “person” shall include the plural as well as the singular number; the word “person” shall include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof. References to any person hereunder shall include such person's duly authorized successors and assigns.

(b) The words “herein,” “hereof,” “hereto,” and “hereunder,” and words of similar import, refer to this Bond Indenture in its entirety.

(c) All references herein to particular articles or sections are references to articles or sections of this Bond Indenture unless some other reference is indicated.

(d) All references herein to time shall be to Washington, D.C. time.

(e) References to documents and agreements herein shall be deemed to include all duly adopted amendments, restatements or supplements to such documents and agreements, which due adoption shall include any consent required with respect thereto.

(f) Notwithstanding the references herein to sub-accounts of the various funds and accounts established hereby (including accounts within such funds or accounts), the Master Servicer/Trustee shall be entitled to establish such sub-accounts and accounts, not as sub-accounts of, or as accounts within, such funds or accounts, but as separate and distinct accounts, if so required by its internal procedures; *provided, however*, the names of said accounts shall be substantially similar to those set forth in this Bond Indenture.

## **ARTICLE II**

### **The Bonds**

Section 201. Amount, Terms, and Issuance of Bonds. For the purpose of providing funds for the making of all or part of the Bond Loans, Bonds are hereby authorized to be issued under and secured by this Bond Indenture subject to the conditions hereinafter provided in Section 209 of this Bond Indenture. The Master Servicer/Trustee shall maintain in its books a log which shall reflect the portion of the purchase price of each Bond advanced by the Bondholder from time to time in accordance with the provisions of this Bond Indenture (the “Schedule of Advances”). The principal amount due on any Bonds shall be only such amount as has been advanced by the Bondholder with respect to such Bonds and not otherwise redeemed or paid pursuant to the terms of this Bond Indenture. The Master Servicer/ Trustee shall keep a record of all Advances made. Each Bond shall contain substantially the terms related to advances, maturity, interest, and payment set forth in this Bond Indenture and the particular Supplemental Indenture authorizing the issuance of such Bond, including the form of such Bond attached to such Supplemental Indenture. No Bonds may be issued under this Bond Indenture except in accordance with this Article II.

The Bonds may bear such endorsement or legend as may be required to conform to usage or law with respect thereto.

Upon satisfaction of the conditions set forth in Section 209 hereof applicable to the issuance of each Bond, the Qualified Issuer shall issue the Bonds, and the Master Servicer/Trustee shall, at the request of, and upon execution by, a Qualified Issuer Representative, authenticate and deliver such Bonds to the Bondholder as specified in the request.

The principal of and the interest on each Bond, together with any applicable Call Premium, shall be payable solely from the particular sub-accounts of the applicable Debt Service Account of the Debt Service Fund relating to such Bond and shall be nonrecourse to the Qualified Issuer.

Section 202. Designation, Maturity Dates and Interest Rates of the Bonds. Each Bond issued hereunder shall be authorized by a separate and distinct Supplemental Indenture. Each Bond shall be designated “[**QUALIFIED ISSUER**] Future Advance Promissory Bonds, [**YEAR - \_**] ([**NAME OF ELIGIBLE CDFI**])”, or such appropriate variation thereof as contained herein or in any Supplemental Indenture, in each case inserting an identifying year.

(a) Each Advance made under any Bonds shall bear interest from its respective date of disbursement. The Bonds shall mature, subject to prior prepayment as provided in Article VI hereof, on the date provided in the particular Supplemental Indenture authorizing the respective Bond.

(b) Interest Rates; Debt Service Schedule. Each Advance made under any Bond shall bear interest at the Bond Rate established as provided in the respective Bond. On each Interest Payment Date, interest accrued on (but excluding) such Advance date through (and including) the respective Interest Payment Date shall be payable. Interest on each Advance made under any

Bond shall be a fixed rate of interest computed as provided in each such Bond. Variable rates of interest are not permitted. Interest for the full term of the Bond shall be due and payable currently and shall not be capitalized.

A principal and interest payment schedule (“Debt Service Schedule”) shall be determined by the Bondholder and delivered to the Qualified Issuer and the Master Servicer/Trustee for each Advance made under a Bond based on the Bond Rate established for each such Advance. Following the last Advance, a final Debt Service Schedule representing the aggregate of amounts due pursuant to all Advances under each Bond, as shall be determined by the Bondholder, shall be delivered to the Qualified Issuer and the Master Servicer/Trustee. The Qualified Issuer shall provide all related Debt Service Schedules to the respective Eligible CDFI. The principal amount under each Bond shall amortize in level debt service payments due quarterly or semiannually, as determined by the Qualified Issuer and the Bondholder, as set forth in the Bond.

Section 203. [Reserved].

Section 204. Execution; Authentication. Each Bond shall be executed by the manual signature of the Qualified Issuer Representative, and shall be attested by the manual signature of the secretary or assistant secretary of the Qualified Issuer. Following such execution, the relevant Bond shall be delivered to the Master Servicer/Trustee, who shall authenticate it pursuant to the applicable provisions of this Bond Indenture, and shall deliver it to the Bondholder in accordance with the applicable provisions hereof. Only if a certificate of authentication has been executed by the Master Servicer/Trustee by manual signature and attached thereto shall any Bonds be valid or obligatory for any purpose or be secured by this Bond Indenture or be entitled to any right or benefit hereunder. Such authentication by the Master Servicer/Trustee upon a Bond shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly issued hereunder and the Bondholder is entitled to the benefit of the trust hereby created. The Master Servicer/Trustee’s certificate of authentication on the Bonds shall be executed by a Responsible Officer of the Master Servicer/Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on each Bond issued hereunder. Each Bond shall be dated its date of authentication.

Bonds executed as above provided may be issued, notwithstanding that any officer signing such Bonds shall have ceased to hold office at the time of issuance or shall not have held office at the date of the Bond.

Section 205. Paying Agent; Payment of Principal and Interest; Source of Payment; Limited Obligation; Rights to Receive Payments Preserved. The Master Servicer/Trustee is hereby appointed as paying agent for the Bonds. As provided in each Bond, principal installments, Call Premium, if any, and interest accrued on the unpaid principal amount of each Advance made under a Bond shall be payable on each Payment Date by wire transfer of immediately available funds on the respective Payment Date to the account of the Bondholder which account, and the related wire instructions, has been designated by the Bondholder in writing on the closing date. In the event the Bondholder desires to change or update the account, and the related the wire instructions, such change must be furnished in writing to the Master Servicer/Trustee at least five (5) Business Days prior to the applicable Payment Date. If any Payment Date is not a Business Day, the respective installment of principal, Call Premium, if



any, and accrued interest payable on such Payment Date shall be sent by wire transfer on the next succeeding Business Day, *provided* that interest shall accrue for the period of any such extension.

THE BONDS, THE PRINCIPAL OF, THE CALL PREMIUM, IF ANY, AND THE INTEREST THEREON, TOGETHER WITH ALL OTHER PECUNIARY OBLIGATIONS UNDER THIS BOND INDENTURE ARE SPECIAL LIMITED OBLIGATIONS OF THE QUALIFIED ISSUER, WITHOUT RECOURSE, PAYABLE SOLELY FROM THE REVENUES AND ASSETS OF THE QUALIFIED ISSUER PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED IN THIS BOND INDENTURE AND NO OTHER REVENUES OR ASSETS OF THE QUALIFIED ISSUER SHALL BE PLEDGED TO OR AVAILABLE FOR SUCH PURPOSES.

Installments of principal, Call Premium, if any, of and accrued interest on any Bond which are payable, and are punctually paid or duly provided for, on any Payment Date shall be paid to the Bondholder.

Subject to the foregoing provisions of this Section 205, each Bond delivered under this Bond Indenture as replacement for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, on such other Bond.

Section 206. Transfer of Bonds Restricted. The Bonds are not transferable, except as provided by law.

Section 207. Mutilated, Lost, Stolen or Destroyed Bonds. In the event that the Bond outstanding under this Bond Indenture shall become lost, stolen, destroyed, or mutilated, the Qualified Issuer shall, upon the written request of the Bondholder, with a copy to the Secretary and the CDFI Fund, execute, and the Master Servicer/Trustee shall deliver, in replacement thereof, a new Bond of like tenor. Such replacement Bond shall be dated and shall bear interest from the date to which interest has been paid on such lost, stolen, destroyed, or mutilated Bond or, if no interest has been paid thereon, dated the same date as such lost, stolen, destroyed, or mutilated Bond. Upon delivery of such replacement Bond, the Qualified Issuer shall be released and discharged from any further liability on account of the lost, stolen, or destroyed Bond. If the Bond being replaced has been mutilated, such mutilated Bond shall be surrendered to the Master Servicer/Trustee for cancellation and the Master Servicer/Trustee shall, forthwith, furnish a copy thereof to the Qualified Issuer. The Secretary shall deliver to the Bondholder a written confirmation that the Secretary's Guarantee related to the lost, stolen, destroyed, or mutilated Bond remains in full force and effect with respect to the replacement Bond. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the Qualified Issuer may, with the consent of the Bondholder, pay to the Bondholder the principal amount, Call Premium, if any, and accrued interest of such Bond upon the maturity thereof and upon the compliance with the aforesaid conditions by the Bondholder, without the issuance of a substitute Bond therefor.

Every substitute Bond issued pursuant to this Section 207 shall constitute an additional contractual obligation of the Qualified Issuer, whether or not the Bond alleged to have been lost, stolen or destroyed shall be at any time enforceable by anyone, and shall be entitled to all of the

benefits of this Bond Indenture equally and proportionately with any and all other Bonds duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are, to the extent permitted by law, exclusive with respect to the replacement or payment of mutilated, lost, stolen or destroyed Bonds and shall preclude any and all other rights or remedies.

Section 208. Cancellation of Surrendered Bonds. Bonds surrendered for payment, prepayment, or replacement and Bonds surrendered to the Master Servicer/Trustee by the Qualified Issuer or by an Eligible CDFI for cancellation shall be canceled by the Master Servicer/Trustee, and a certificate evidencing such cancellation shall be furnished by the Master Servicer/Trustee to the Qualified Issuer and the respective Eligible CDFI.

Section 209. Conditions of Issuance. Prior to or simultaneously with the delivery of each Bond by the Master Servicer/Trustee, there shall be filed with the Master Servicer/Trustee the following:

- (a) A fully executed copy of this Bond Indenture;
- (b) A fully executed copy of the particular Supplemental Indenture authorizing the respective Bond, certified by the Qualified Issuer Representative to be a true and correct executed copy thereof, which shall among other provisions, specify: (A) the authorized maximum principal amount and designation of such Bond; (B) purposes for which such Bond is being issued; (C) the date of the Bond; (D) the Principal Payment Dates and the Maturity Date of the Bond; (E) the manner in which the interest rate or rates of the Bond shall be determined and the Interest Payment Dates therefor; (F) the manner of dating (if other than the date of authentication) and numbering of the Bond; (G) the place of payment of the principal and Call Premium, if any, of, and interest on, the Bond; (H) the prepayment price or prices, if any, and subject to Article VI hereof, the prepayment terms for the Bond; and (I) the form of the Bond and the certificates of authentication to be endorsed thereon;
- (c) An opinion of Bond Counsel substantially to the effect that the Bonds constitute legal, valid, binding and enforceable obligations of the Qualified Issuer and concerning the due authorization, execution and delivery for the respective Bond;
- (d) A fully executed copy of each of the particular Bond Loan Agreements between the Qualified Issuer and the respective Eligible CDFIs relating to the respective Bond;
- (e) A Note executed by the respective Eligible CDFI relating to the respective Bond Loan and assignment of the Note by the Qualified Issuer to the Master Servicer/Trustee for such Bond Loan;
- (f) A fully executed Bond Purchase Agreement;
- (g) Evidence satisfactory to the Qualified Issuer, the Guarantor, and the CDFI Fund that each Eligible CDFI has the authority to enter into the Bond Loan, has secured the Credit Enhancement, if any, and has demonstrated a reasonable prospect of repayment of the Bond

Loan, and pledged the applicable Bond Loan Collateral (including a fully executed Collateral Assignment, and fully executed copies of notes, mortgages and other security documents evidencing Secondary Loans and Other Pledged Loans [pledged at the time of closing], as applicable, and any UCC-1 financing statements);

(h) A fully executed copy of the Agreement to Guarantee;

(i) Complete and accurate Guarantee Application materials, submitted in a timely manner, demonstrating each of the Eligible CDFI's ability to repay its Bond Loan;

(j) An opinion of counsel to each of the respective Eligible CDFIs as to, among other things, due authorization, execution and delivery of the respective Bond Loan Documents and the legality, validity, and enforceability thereof, as to perfection of the Collateral and as to litigation and legal capacity to fulfill requirements;

(k) Copies of organizational documents of the Eligible CDFIs, certified by the secretary of the Eligible CDFI;

(l) A request and authorization of the Qualified Issuer, signed by a Qualified Issuer Representative, directing the Master Servicer/Trustee to authenticate and deliver the Bonds to the Bondholder, in each case, upon satisfaction of the conditions set forth in this Section 209; and delivery of the items set forth in this Section 209;

(m) Copies of such items as are required pursuant to the Agreement to Guarantee, relating to the respective Eligible Purpose, including: each respective Eligible CDFI's application for the Bond Loan for the respective Eligible Purpose; and detailed plans relating to the Eligible Purpose of the Bond Loan, including a Secondary Capital Distribution Plan;

(n) A copy of the certification by the Qualified Issuer and the Eligible CDFIs that proceeds of the Bond will not be used for lobbying in accordance with applicable Federal Laws;

(o) As set forth in the Bond Loan Agreement, a statement from the Qualified Issuer and each Eligible CDFI that no default, event of default, or due and unsatisfied liability has occurred and is continuing with respect to any obligations of the Qualified Issuer and each respective Eligible CDFI, as applicable to the CDFI Fund, the Guarantor, the Bondholder, the U.S. Internal Revenue Service, or any other agency, authority or instrumentality of the Federal Government;

(p) Such further resolutions, certificates and opinions of the Qualified Issuer, the Master Servicer/Trustee and the respective Eligible CDFI as Bond Counsel may reasonably require;

(q) Such further documents, monies and securities as may be required by the provisions of the particular Supplemental Indenture authorizing the respective Bond; and

(r) An executed copy of a certificate of a Qualified Issuer Representative to the effect that all conditions precedent provided for in this Bond Indenture to the authentication and delivery of such Bond has been complied with.

When the documents mentioned in clauses (a) through (r) of this Section 209 shall have been filed with the Master Servicer/Trustee, as applicable, and when the Bond shall have been executed as required by Section 204 of this Bond Indenture, the Master Servicer/Trustee shall authenticate and deliver such Bond to or upon the order of the Bondholder.

### ARTICLE III

#### **Project Fund; Risk-Share Pool Fund; Bond Issuance Fees Fund; Relending Fund**

##### Section 301. Creation of Project Fund and Deposits Thereto.

(a) A special fund is hereby created and designated “Project Fund [2014-[FIRST BOND #] – 2014-[LAST BOND #]]” (the “Project Fund”) to the credit of which such deposits shall be made as are required by the provisions of this Bond Indenture. There shall be created by each Supplemental Indenture authorizing the issuance of a Bond a separate and distinct account within the Project Fund for each Bond. No commingling of monies is permissible among such accounts. Any monies received by the Qualified Issuer or by the Master Servicer/Trustee from any source for payment of the Costs of any Eligible Purpose, including Proceeds relating to such Eligible Purpose, shall be deposited to the credit of the particular account of the Project Fund relating to the respective Bond. Any interest earned on the investment of funds in any account of the Project Fund shall be credited to such account.

(b) The monies in each account of the Project Fund shall be held by the Master Servicer/Trustee in trust and, subject to the provisions of Section 304 hereof, shall be applied to the payment of the Costs of the particular Eligible Purposes to which the respective account relates and, pending such application, shall be and are hereby made subject to a Lien and charge in favor of the Bondholder and for the further security of the Bondholder until paid out or transferred as herein provided.

##### Section 302. Advances Charged Against the Project Fund on Account of Bonds.

(a) In the case of each Eligible Purpose to be financed by a Bond Loan to be made from the proceeds of a Bond, payment of the Costs allocated to the respective Eligible Purpose shall be made from Advances made directly by the Bondholder upon authorization from the CDFI Fund as hereinafter provided, and each portion of such Advance constituting the Approved Disbursement Amount shall be charged against the particular account of the Project Fund relating to the respective Bond. All portions of Advances authorized to be charged against an account of the Project Fund shall be subject to the provisions and restrictions set forth in this Article III, and the Master Servicer/Trustee covenants that it will not authorize the disbursement of any portion of an Advance to be charged against any account of the Project Fund except in accordance with such provisions and restrictions.

(b) Pursuant to Article 7 of the Bond Purchase Agreement, the CDFI Fund shall authorize the Bondholder to make an Advance in part to pay the Costs of the particular Eligible Purpose relating to such Bond, and the Master Servicer/Trustee is authorized and directed to charge such Advance against the particular account of the Project Fund relating to such Eligible

Purpose, in accordance herewith, but in the case of each such authorization only upon receipt of the documents described as follows, as applicable:

(i) A requisition for payment (substantially in the form of the requisition attached to each Bond Loan Agreement as Exhibit C and hereby deemed incorporated herein), signed by the respective Eligible CDFI Representative and otherwise in compliance with Article 3 of the Bond Loan Agreement.

(ii) A requisition approval notice signed by the Qualified Issuer Representative (substantially in the form of the notice located at the end of the requisition attached to each Bond Loan Agreement as Exhibit C and hereby deemed incorporated herein) and otherwise in compliance with Article 3 of the Bond Loan Agreement.

(iii) A request for an Advance signed by the Qualified Issuer Representative and substantially in the form of the “Advance Request” attached to the applicable Supplemental Indenture, setting forth the following:

(A) The total amount of funds that are requested to be disbursed as an Advance;

(B) The date on which the requested Advance is requested to be made; and

(C) The appropriate bank accounts to which funds constituting the requested Advance are to be disbursed;

(iv) An Advance request approval notice (substantially in the form of the notice located at the end of the “Advance Request” attached to the applicable Supplemental Indenture) signed by an authorized CDFI Fund official; and

(v) A copy of the particular Bond Loan Agreement between the Qualified Issuer and the respective Eligible CDFI relating to the respective Bond (which shall only be necessary at the time of the initial Advance).

(c) As soon as practicable, and in any event not later than seven (7) Business Days after receipt of the documents required by this subsection to be delivered in connection with each request for an Advance, the CDFI Fund shall deliver to the Bondholder (with a copy to the Master Servicer/Trustee) a fully-executed copy of the Advance Request which shall authorize the Bondholder to disburse the Approved Disbursement Amount to the particular account of the Project Fund held by the Master Servicer/Trustee relating to the respective Bond.

(d) Upon receipt of each authorization by the CDFI Fund to make a requested Advance under any Bond, the Bondholder shall, FIRST, disburse by wire transfer an amount of funds equal to the Approved Disbursement Amount to the Master Servicer/Trustee for deposit to the applicable account of the Project Fund, as specified by the Qualified Issuer in its request for an Advance, and charge such Approved Disbursement Amount against the particular account of the Project Fund held by the Master Servicer/Trustee relating to the respective Bond; and

SECOND, provide the Master Servicer/Trustee with written confirmation notice of each such disbursement constituting an Advance, which notice shall:

(i) Specify the following:

(A) The Approved Disbursement Amount that the Bondholder disbursed as part of the Advance to pay Costs of the Eligible Purpose;

(B) The date on which the Bondholder disbursed the Advance comprised of the amounts described in clause (A) above; and

(C) The respective interest rate that shall apply to the Advance comprised of the amounts described in clause (A) above; and

(ii) Confirm that the Bondholder disbursed the Approved Disbursement Amount to the particular account of the Project Fund held by the Master Servicer/Trustee relating to the respective Bond.

(e) Upon receipt of the wire transfer of funds from the Bondholder in an amount equal to the Approved Disbursement Amount and upon deposit of such amount in the applicable account of the Project Fund relating to the respective Bond, as specified by the Qualified Issuer, the Master Servicer/Trustee shall promptly disburse by wire transfer an amount of funds equal to such Approved Disbursement Amount from the applicable account of the Project Fund to the accounts specified by the Eligible CDFI in its requisition delivered to the Qualified Issuer, including the transfer to the respective Bond Issuance Fees Fund of any amounts of Bond proceeds, not in excess of one percent (1%) of the maximum principal amount of the applicable Bonds, designated thereby to pay Bond Issuance Fees.

(f) Notwithstanding Section 302(e) above, in the event that an Advance has been approved for a disbursement date during the forty-five (45) days immediately preceding any Payment Date, the Master Servicer/Trustee shall not disburse the Approved Disbursement Amount from the applicable account of the Project Fund until the Eligible CDFI has deposited sufficient funds with the Master Servicer/Trustee (for application to the applicable Interest Sub-account and Principal Sub-account of the Debt Service Account) to pay the special supplemental invoice generated by the Master Servicer/Trustee pursuant to Section 2.6(c) of the Bond Loan Agreement.

Section 303. Master Servicer/Trustee May Rely on Requisitions and Advance Requests. Each requisition of an Eligible CDFI in the form provided by Section 302 hereof, each request for an Advance of the Qualified Issuer reciting the information described in Section 302 hereof, and all other statements, orders, certifications and approvals received by the Master Servicer/Trustee, as required by this Article III to be delivered in connection with each request for a disbursement of funds, may be conclusively relied upon by the Master Servicer/Trustee, and shall be retained by the Master Servicer/Trustee, subject at all reasonable times to examination by the respective Eligible CDFI (so long as the respective Bond Loan Agreement shall remain in force and effect), the Qualified Issuer, the Bondholder and the agents and representatives thereof.

Section 304. Transfers to the Debt Service Fund. In the event that any Eligible CDFI should elect or be required to prepay its Note in its entirety pursuant to Section 2.9 of the Bond Loan Agreement or that the Master Servicer/Trustee shall declare the particular Bond issued to fund the respective Bond Loan to such Eligible CDFI to be due and payable pursuant to Section 802 hereof, the Master Servicer/Trustee shall, without further authorization, forthwith transfer any balance remaining in the particular account of the Project Fund relating to such Eligible CDFI's Eligible Purpose to the Redemption Sub-account of the applicable Debt Service Account relating to the respective Bond.

Section 305. Reports and Audits. The monitoring and financial reporting requirements of each year in which a Bond Loan is outstanding shall include the following and such other financial reporting requirements reasonably determined by the CDFI Fund to be necessary and appropriate:

(A) Monthly Requirements. The Master Servicer/Trustee at the close of each month shall provide the Qualified Issuer and the CDFI Fund with an aggregate statement of activity for portfolio management and loan monitoring purposes. These activity reports of the Master Servicer/ Trustee include but are not limited to:

- (1) Summary of current balances for all Funds, Accounts and Sub-accounts maintained in the Trust Estate;
- (2) Summary of activity at the Bond Loan level, including: outstanding balances, prepayments, repayments, or missed payments for all Bond Loans in each Bond Issuance and for the entire portfolio of Bond Loans;
- (3) The "OC Test Notice," as described in Section 5.21 of the Bond Loan Agreement, which will rely on information furnished to the Master Servicer/Trustee by the Qualified Issuer via the process and information collection instruments referenced in Section 5.21 of the Bond Loan Agreement; and
- (4) The "Monthly Invoice," as detailed in Section 2.6(c) of the Bond Loan Agreement, setting forth the amount of the next succeeding Loan Deposit required to be paid by the Eligible CDFI pursuant to Sections 2.6(a) and (b) of the Bond Loan Agreement.

(B) Additional Requirements. The Master Servicer/Trustee shall provide such reports to the CDFI Fund and the Qualified Issuer and maintain such records that are necessary to:

- (1) Satisfy an annual Statement on Standards for Attestation Engagements SSAE 16 (Type II) report describing the design and effectiveness of its system of internal controls over financial reporting;
- (2) Provide the CDFI Fund, Qualified Issuer and each respective Eligible CDFI, an aggregated annual statement of activity of Bond Loans for the preceding

calendar year. This report shall be delivered by February 28<sup>th</sup> following each year in which a Bond Loan is outstanding; and

- (3) Accomplish such other purposes that the CDFI Fund or Qualified Issuer may deem appropriate.

In connection with its preparation of the reports set forth in this paragraph (B), each of the Master Servicer/Trustee and Qualified Issuer shall be entitled to reasonably rely on information provided to it by third parties engaged by the Eligible CDFI, the Qualified Issuer, or the Bondholder, as the case may be, in good faith and in a commercially reasonable manner with respect to matters of which no Responsible Officer of the Master Servicer/Trustee or Qualified Issuer has direct knowledge.

Section 306. Creation of and Deposit to the Risk-Share Pool Fund.

(a) A special fund is hereby created and designated “Risk-Share Pool Fund – [YEAR]” (the “Risk-Share Pool Fund”), and therein an “Excess Interest Account,” to the credit of which such deposits shall be made as are required by the provisions of this Bond Indenture. There shall be created by each Supplemental Indenture authorizing the issuance of a Bond a separate and distinct account of the Risk-Share Pool Fund for the respective Bond authorized by such Supplemental Indenture. The Risk-Share Pool Fund must remain in place throughout the term of the Guarantee, and, in any event, amounts in the Risk Share Pool Fund will not be returned to Eligible CDFIs until maturity of all of the Bonds, and termination of all of the Bond Loans, within a Bond Issue.

(b) Not later than the time of each disbursement of the Bond Loan proceeds, the applicable Eligible CDFI shall deposit an amount that is equal to three percent (3%) of such disbursement, for a total of three percent (3%) of the guaranteed amount outstanding of the Bond, from monies other than Bond Loan proceeds, together with the certification required by Section 2.14 of the Bond Loan Agreement, into the applicable account of the Risk-Share Pool Fund. Such monies shall remain in said account throughout the term of the Bond Issue, unless applied as provided in this Section 306. The Master Servicer/Trustee and Qualified Issuer shall be entitled to conclusively assume that any monies delivered for deposit into the Risk-Share Pool Fund together with the certification required by Section 2.14 of the Bond Loan Agreement, are not derived from Bond Loan proceeds.

(c) Any interest on a Bond Loan in excess of the Bond Loan Rate derived by the Qualified Issuer during any period during which the Bond Loan Payment Default Rate applies shall also be deposited in the Excess Interest Account of the Risk-Share Pool Fund.

(d) The Risk-Share Pool Fund shall be applied by the Master Servicer/Trustee to payments of debt service on the Bond Issue in the event that an Eligible CDFI defaults in the corresponding payment of debt service on a Bond Loan in accordance with paragraph (g) of this Section 306. Monies on deposit in the Risk-Share Pool Fund shall be applied to such payments and shall be depleted in full prior to any draw on the Guarantee.



(e) In accordance with the Bond Loan Agreement, Eligible CDFIs (excluding the Eligible CDFI in default and responsible for a draw) shall not be required to replenish the Risk-Share Pool Fund in the event of a draw.

(f) The deposit of funds by an Eligible CDFI to the applicable account of the Risk Share Pool Fund in accordance with paragraph (b) of this Section 306 shall be sufficient Collateral to secure any Advance made solely for the purposes of paying the Bond Issuance Fees.

(g) Subject to the provisions in Sections 403(d) and (e) hereof, in the event of a payment default on a Bond Loan by an Eligible CDFI, the Master Servicer/Trustee, as assignee of the Qualified Issuer shall, with notification to the CDFI Fund, the Qualified Issuer, and each Eligible CDFI in the Bond Issue, draw from the Risk-Share Pool Fund to cover any default of principal and interest payments due to the Bondholder. Thereafter, the monies in each account of the Risk-Share Pool Fund relating to a Bond shall be applied pursuant to Section 403(d) and (e) hereof if the amounts in the particular account of the Debt Service Fund relating to such Bond available therefor shall be insufficient to pay in full on a Payment Date the amount then due on the Bond. In drawing on the Risk-Share Pool Fund pursuant to Sections 403(d) and (e) hereof, the Master Servicer/Trustee shall, with notification to the CDFI Fund, the Qualified Issuer, and each Eligible CDFI in the Bond Issue, draw first from amounts in the particular account of the Risk-Share Pool Fund relating to the defaulting Eligible CDFI until such amounts are depleted and second from amounts on deposit in the Excess Interest Account. If such amounts are insufficient to pay on a Payment Date the full amount due on the Bond, then the Master Servicer/Trustee shall draw an amount equal to the product of the amount of the deficiency and the fraction, the numerator of which is the amount on deposit in the respective account of the Risk-Share Pool Fund and the denominator of which is the aggregate amount on deposit in all of the accounts of the Risk-Share Pool Fund relating to the other Bonds (the "Proportional Risk-Share Pool Amount") from each of its other accounts of the Risk-Share Pool Fund relating to the other Bonds. Amounts received by the Master Servicer/Trustee pursuant to Section 2.14 of the Bond Loan Agreement requiring that an Eligible CDFI reimburse the Risk-Share Pool Fund for any amounts withdrawn from it as a result of the Eligible CDFI's default under the Bond Loan Agreement immediately, but in any event not later than the next Bond Loan payment date, shall be applied first to reimburse on a *pro rata* basis each of the accounts in the Risk-Share Pool Fund other than the account corresponding to the Eligible CDFI until the amounts withdrawn from such accounts as a result of such Eligible CDFI's default have been reimbursed, and the balance, if any, shall be deposited in the account in the Risk-Share Pool Fund corresponding to such Eligible CDFI.

On an annual basis, by February 28 of each year, after the establishment of the Risk-Share Pool Fund, the Master Servicer/Trustee shall review the amounts on deposit in each account of the Risk-Share Pool Fund and report the balance to each respective Eligible CDFI and the Qualified Issuer not later than fifteen (15) Business Days following such examination date. Upon payment in full by all Eligible CDFIs of a Bond Issue of all amounts of principal, interest, and Call Premium due on account of all Bond Loans made pursuant to such Bond Issue, any amounts remaining in the particular account of the Risk-Share Pool Fund relating to the particular Bond that funded each Bond Loan shall be promptly returned to the respective Eligible CDFI. The Master Servicer/Trustee shall be entitled to conclusively assume that upon payment

of all amounts owing on a Bond, all amounts of principal, interest, and Call Premium (if any) due on account of all related Bond Loans have been paid in full.

Amounts remaining in the Risk-Share Pool Fund will not be returned to Eligible CDFIs until payment in full of all amounts due and payable under all of the Bonds and termination of all of the Bond Loans within a Bond Issue. Upon payment in full of all amounts due and payable under the Bonds and termination of the Bond Loans within a Bond Issue, the pro rata amount remaining of each Eligible CDFI's payments in the Risk-Share Pool shall be returned to each Eligible CDFI; *provided, however*, that such Eligible CDFI has properly replenished any draws on the Risk-Share Pool attributed to nonpayment of its Bond Loan and the corresponding Bonds.

Section 307. Bond Issuance Fees Fund.

(a) A special fund is hereby created and designated "Bond Issuance Fees Fund – [YEAR]" (the "Bond Issuance Fees Fund") to the credit of which such deposits shall be made as are required by the provisions of this Bond Indenture. There shall be created by each Supplemental Indenture authorizing the issuance of a Bond a separate and distinct account of the Bond Issuance Fees Fund for the respective Bond authorized by such Supplemental Indenture. No comingling of monies is permissible among such accounts.

(b) Amounts transferred to the Bond Issuance Fees Fund from the Project Fund pursuant to a Supplemental Indenture shall be applied by the Master Servicer/Trustee towards the payment of certain costs incurred in connection with the issuance of the Bonds. Amounts not to exceed one percent (1%) of proceeds of the Bonds may, at the direction of the applicable Eligible CDFI, be applied to pay Bond Issuance Fees. Proceeds of the Bonds that are applied to pay Bond Issuance Fees shall be applied in the following order of priority: FIRST to pay reasonable transaction fees and expenses of the Qualified Issuer, its advisors and consultants related to the issuance of the Bond and the making of the Bond Loan (specifically excluding any salaries or administrative costs of the Qualified Issuer unrelated to the issuance of the Bond), SECOND to pay reasonable transaction fees and expenses of the Master Servicer/Trustee, its advisors and consultants, related to the issuance of the Bonds, and THIRD to pay reasonable transaction fees and expenses of the Eligible CDFI, its advisors and consultants, and the Sub-servicer, related to the issuance of the Bond and the making of the Bond Loan. The Master Servicer/Trustee shall promptly disburse by wire transfer the amount of funds attributable to Bond Issuance Fees in accordance with this Section 307, from the applicable account of the Bond Issuance Fees Fund as specified by the Eligible CDFI in its requisition delivered to the Qualified Issuer pursuant to Section 302 hereof and Article 3 of the Bond Loan Agreement.

(c) Any Bond Issuance Fees in excess of one percent (1%) of the proceeds of the Bonds must be paid by the Eligible CDFI from monies other than proceeds of the Bond Loan. The Master Servicer/ Trustee may conclusively assume that any such Bond Issuance Fees in excess of one percent (1%) of the proceeds of a Bond Issue have been paid from monies other than proceeds of the related Bond Loan.

(d) Any amounts (including investment proceeds) remaining in the Bond Issuance Fees Fund on the date which is six (6) months following the Bond Issue Date for any Bond, after

the payment of the Bond Issuance Fees of such Bond, shall be transferred to the applicable account of the Project Fund and applied in accordance therewith.

Section 308. Relending Fund.

(a) A special fund is hereby created and designated “Relending Fund – [YEAR]” (the “Relending Fund”) to the credit of which such deposits shall be made as are required by the provisions of this Bond Indenture. There shall be created by each Supplemental Indenture authorizing the issuance of a Bond a separate and distinct account of the Relending Fund for the respective Bond authorized by such Supplemental Indenture. No comingling of monies is permissible among such accounts. The balance of monies on deposit in the Relending Account related to any Bond shall not, in any event, equal more than ten percent (10%) of the Outstanding principal amount of such Bond *minus* the amount on deposit in the account of the Risk-Share Pool Fund related to such Bond (and specifically excluding amounts on deposit in the Excess Interest Account) as of the Calculation Date (as hereinafter defined) (the “Relending Account Maximum”). The determination of the actual amount on deposit in each Relending Account as of the Calculation Date shall exclude amounts then obligated pursuant to any executed notes in connection with Secondary Loans, not then disbursed (the “Undisbursed Secondary Loans”). The amount of Undisbursed Secondary Loans as of any Calculation Date shall be determined by the Qualified Issuer and provided to the Master Servicer/Trustee.

(b) The Master Servicer/ Trustee shall monitor the balance in the Relending Account on an on-going basis and shall promptly notify the Qualified Issuer, CDFI Fund, and Eligible CDFI when the account has exceeded the applicable Relending Account Maximum.

(c) For purposes of this Section 308 and Section 601 of this Indenture, “Calculation Date” means, following the Notification Date (as hereinafter defined), the earlier of: (i) the date on which the balance in the applicable Relending Account becomes less than or equal to the applicable Relending Account Maximum or (ii) six (6) months following the Notification Date. “Notification Date” means the date on which the Master Servicer/Trustee, in accordance with the preceding paragraph, notifies the Eligible CDFI that the balance in the applicable Relending Account exceeds the applicable Relending Account Maximum.

(d) Each Supplemental Indenture shall provide that as each Bond Loan is repaid, such amounts in excess of amounts required to pay Debt Service on the Bond, the Agency Administrative Fee, the Qualified Issuer Fee, the Master Servicer/Trustee’s fees, and other amounts required pursuant to the Bond Documents or Bond Loan Agreement, shall, immediately upon receipt from the Secondary Borrower, be delivered to the Master Servicer/Trustee for deposit in the applicable Relending Account. For the avoidance of doubt, servicing fees attributable to servicing of Secondary Loan proceeds or collection of Secondary Loans shall not be taken into account. Amounts on deposit in the Relending Fund pursuant to a Supplemental Indenture shall, subject to the requirements of Section 3.4 of the Bond Loan Agreement, be applied by the Master Servicer/Trustee, at the direction of the Eligible CDFI, towards the making of additional Secondary Loans, the maturity of which shall not exceed the Maturity Date of the corresponding Bond and which meet the preconditions for such Secondary Loans as set forth in Section 1808.308 of the Regulations and the Bond Loan Agreement for the related Bond Loan. Any such direction shall be accompanied by a certificate from the Eligible CDFI stating that all

conditions precedent provided for in this Bond Indenture and the applicable Bond Loan Agreement to the making of such Secondary Loan and to the compliance by the Master Servicer/Trustee with such direction have been complied with.

(e) Any amounts (including investment proceeds) retained in the applicable account of the Relending Fund that exceed the applicable Relending Account Maximum by \$100,000 or more as of the applicable Calculation Date shall be transferred to the Redemption Sub-account of the applicable Debt Service Account within the Debt Service Fund and applied in accordance therewith to effectuate a mandatory prepayment of Bonds pursuant to Section 601(b) hereof.

(f) So long as an Event of Default with respect to a Bond has occurred and is continuing, and the Risk-Share Pool Fund is wholly depleted such that the balance therein is zero (0), the Qualified Issuer, at the direction of the CDFI Fund in its sole discretion, may direct the Master Servicer/Trustee as to application of moneys on deposit in the Relending Account related to such Bond, or any account thereof.

Notwithstanding anything contained in this Bond Indenture to the contrary, so long as the Eligible CDFI is in compliance with the Required Overcollateralization as set forth in Section 5.21 of the Bond Loan Agreement, the Eligible CDFI shall not be subject to the covenant and requirements related to the Relending Account set forth in the Bond Loan Agreement; *provided, however*, that the Relending Account shall be established by the Master Servicer/Trustee pursuant to this Bond Indenture, in any event.

#### **ARTICLE IV Revenues and Application Thereof; Debt Service Fund**

Section 401. Revenues to Be Paid Over to Master Servicer/Trustee. Pursuant to this Bond Indenture, the Qualified Issuer has caused the Revenues to be paid directly to the Master Servicer/Trustee, or its Sub-servicer. If, notwithstanding these arrangements, the Qualified Issuer receives any payments on account of any Note with respect to the principal or redemption price of or interest on any Bonds, the Qualified Issuer shall immediately pay over such payment to the Master Servicer/Trustee, or such Sub-servicer, to be held as Revenues.

Section 402. The Revenue Fund. There is hereby established with the Master Servicer/Trustee a special fund to be designated “Revenue Fund” (the “Revenue Fund”) to the credit of which such deposits shall be made as are required by the provisions of this Bond Indenture. There shall be established by each Supplemental Indenture authorizing an issuance of a Bond a separate and distinct account for each Bond. All monies received pursuant to Section 401 hereof, including the Revenues from each Eligible CDFI and any other monies, which by any of the provisions of the respective Eligible CDFI’s Bond Loan Agreement and the payment schedules are required to be paid by the respective Eligible CDFI, shall, subject to Section 915, be deposited to the particular account of the Revenue Fund relating to the respective Eligible CDFI’s Bond. Subject to Section 905 hereof and, with respect to any Event of Default, Section 811 hereof, all monies in a particular account of the Revenue Fund relating to any Bond shall be

paid by the Master Servicer/Trustee (as soon as reasonably possible after deposit therein) in the following order of priority:

FIRST, to the Interest Sub-account of the applicable Debt Service Account within the Debt Service Fund relating to the Bond issued to fund the Bond Loan made to finance the Eligible Purpose, the amount necessary to make the amount on deposit therein equal to the total amount of interest in respect of the Bonds required to have been paid by the Eligible CDFI under the Bond Loan Agreement through such date (less any prior withdrawals to pay interest on such Bonds);

SECOND, to the Principal Sub-account of the applicable Debt Service Account within the Debt Service Fund relating to the Bond issued to fund the Bond Loan made to finance the Eligible Purpose, the amount necessary to make the amount on deposit therein equal to the total amount of principal in respect of the Bonds required to have been paid by the Eligible CDFI under the Bond Loan Agreement through such date (less any prior withdrawals to pay principal on such Bonds);

THIRD, to the Redemption Sub-account of the applicable Debt Service Account within the Debt Service Fund relating to the Bond issued to fund the Bond Loan made to finance the Eligible Purpose, the amount, if any, of principal, accrued interest, and any Call Premium paid by the Eligible CDFI under the Bond Loan Agreement identified as being paid for mandatory or optional prepayment of Bonds;

FOURTH, to the Guarantor if there has been a payment under the Guarantee, the amount paid due to the respective Eligible CDFI's default except that if the available amount is insufficient to cover such amount, the available amount shall be applied towards such payment and the balance shall be collected under the order specified within this Section 402 from the next payment of Revenues attributable to the Eligible CDFI whose default resulted in the draw on the Guarantee;

FIFTH, to the extent there has been a withdrawal from the particular account of the Risk-Share Pool Fund relating to a Bond due to the respective Eligible CDFI's default, an amount to replenish such account of the Risk-Share Pool Fund; *provided* that if funds were drawn from accounts of the Risk-Share Pool Fund relating to other Bonds pursuant to Sections 403(d) and (e) hereof, such other accounts of the Risk-Share Pool shall be replenished prior to replenishment of the account relating to the defaulting Eligible CDFI;

SIXTH, to the particular Relending Account, pursuant to Section 308 hereof;

SEVENTH, to the Qualified Issuer, an amount equal to the Qualified Issuer Fee; and

EIGHTH, to the CDFI Fund, an amount equal to the Agency Administrative Fee.

Section 403. Creation of and Deposits to the Debt Service Fund and the Interest Sub-account, Principal Sub-account, and Redemption Sub-account of each Debt Service Account within the Debt Service Fund.

(a) A special fund is hereby created and designated “Debt Service Fund” (the “Debt Service Fund”) to the credit of which such deposits shall be made as are required by the provisions of this Bond Indenture. There shall be created by each Supplemental Indenture authorizing the issuance of a Bond a separate and distinct account (the “[ELIGIBLE CDFI] Debt Service Account”) for each Bond and three accounts therein – the Interest Sub-account, the Principal Sub-account, and the Redemption Sub-account – for the respective Bond authorized by such Supplemental Indenture.

(b) There shall be deposited to the credit of the particular Interest Sub-account, Principal Sub-account, and Redemption Sub-account of the Debt Service Account within the Debt Service Fund relating to each Bond, from time to time, in the order prescribed in Section 402 hereof, the following:

(1) All payments of principal of, Call Premium, if any, of, and interest on, the particular Note relating to the particular Bond Loan funded by the respective Bond; and

(2) All other monies received by the Master Servicer/Trustee under and pursuant to the provisions of this Bond Indenture or any of the provisions of the particular Note or Bond Loan Agreement relating to the particular Bond Loan funded by the respective Bond, when accompanied by written directions from the person depositing such monies that such monies are to be deposited to the credit of such sub-accounts of the Debt Service Fund.

(c) Except as provided in Section 811 hereof, monies in the Debt Service Fund relating to a Bond shall be used solely to pay the principal or prepayment price of such Bond, as they mature or come due and the interest on such Bond as it becomes payable.

(d) Subject to the provisions in Section 306(g) hereof, not later than 5:00 p.m. on the thirtieth (30<sup>th</sup>) day preceding any Payment Date of any Bond (such thirtieth (30<sup>th</sup>) preceding day being the “Due Date”), if the amounts in the particular sub-accounts of the applicable Debt Service Account within the Debt Service Fund relating to such Bond available therefor shall be insufficient to pay on such Payment Date the full amount that will be due on the Bond on such Payment Date due to the respective Eligible CDFI’s delinquency, the Master Servicer/Trustee will, within three (3) days of such Due Date, notify the Guarantor, the CDFI Fund, the Eligible CDFI, and the Qualified Issuer in writing of such delinquency and, as assignee of the Qualified Issuer, shall use commercially reasonable efforts to obtain the amounts due and owing from the respective Eligible CDFI, and shall continue such efforts for at least twelve (12) days. If such efforts are unsuccessful, on the sixteenth (16<sup>th</sup>) day after the Due Date, the Master Servicer/Trustee shall, acting as assignee of the Qualified Issuer and with notification to the CDFI Fund and the Qualified Issuer, draw from the particular account of the Risk-Share Pool Fund related to such Bond, to the extent available, an amount equal to the difference between (i) the amount needed to pay in full on such Payment Date the amount that will be due on the Bond on such Payment Date, and (ii) the amounts available to make such payment from (A) loan

payments in the particular sub-accounts of the applicable Debt Service Account within the Debt Service Fund relating to such Bond, if any, (B) amounts available to be applied from any Credit Enhancement (including, but not limited to, cash collateral or a parent guarantee), or any Principal Loss Collateral Provision, in accordance with documents governing any of the same, as applicable, and (C) collection efforts pursuant to the preceding sentence. If such amounts are insufficient to pay on such Payment Date the full amount that will be due on the Bond on such Payment Date, then the Master Servicer/Trustee shall draw from each of the other accounts of the Risk-Share Pool Fund relating to the other Bonds in the related Bond Issue an amount equal to the Proportional Risk-Share Pool Amount. Upon any draw from the Risk-Share Pool Fund, the Master Servicer/Trustee shall provide written notification of such draw to the Guarantor, the CDFI Fund, each Eligible CDFI under the Bond Issue, and the Qualified Issuer.

(e) In the event of any Advance made pursuant to Section 302(f) of this Indenture, and subject to the provisions of Section 306(g) hereof, not later than 5:00pm on the third Business Day after such Advance date, if the amounts in the particular sub-accounts of the applicable Debt Service Account within the Debt Service Fund relating to such Bond available therefor shall be insufficient to pay on such Payment Date the full amount that will be due on the Bond on such Payment Date due to the respective Eligible CDFI's delinquency, the Master Servicer/Trustee will notify the Guarantor, the CDFI Fund, the Eligible CDFI, and the Qualified Issuer in writing of such delinquency and the Master Servicer/Trustee shall, acting as assignee of the Qualified Issuer and with notification to the CDFI Fund and the Qualified Issuer, draw from the particular account of the Risk-Share Pool Fund related to such Bond, to the extent available, an amount equal to the difference between (i) the amount needed to pay in full on such Payment Date the amount that will be due on the Bond on such Payment Date, and (ii) the amounts available to make such payment from (A) loan payments in the particular sub-accounts of the applicable Debt Service Account within the Debt Service Fund relating to such Bond, if any, and (B) amounts available to be applied from any Credit Enhancement (including, but not limited to, cash collateral or a parent guarantee), or any Principal Loss Collateral Provision, in accordance with documents governing any of the same, as applicable. If such amounts are insufficient to pay on such Payment Date the full amount that will be due on the Bond on such Payment Date, then the Master Servicer/Trustee shall draw from each of the other accounts of the Risk-Share Pool Fund relating to the other Bonds in the related Bond Issue an amount equal to the Proportional Risk-Share Pool Amount. Upon any draw from the Risk-Share Pool Fund, the Master Servicer/Trustee shall provide written notification of such draw to the Guarantor, the CDFI Fund, each Eligible CDFI under the Bond Issue, and the Qualified Issuer.

(f) If, after the exhaustion of efforts pursuant to subsections (d) and (e) above, there remains a deficiency in the monies available to pay in full on such Payment Date the amount that will be due on the Bond on such Payment Date, the Master Servicer/Trustee, as assignee for the Qualified Issuer, shall on the tenth (10<sup>th</sup>) day before the Payment Date:

(i) Notify the Guarantor that (A) there is a delinquency in the repayment of the Bond Loan; and (B) there are insufficient funds to make a scheduled payment on a Payment Date available in the particular sub-accounts of the applicable Debt Service Account within the Debt Service Fund relating to the respective Bond from transfers of loan payments and collection efforts; and

(ii) Upon the receipt by the Guarantor of the notice described in clause (i), draw or cause to be drawn under the Guarantee an amount equal to the difference between (A) the amount needed to pay in full on such Payment Date the amount that will be due on the Bond on such Payment Date, and (B) the amounts available from loan payments and collection efforts.

(g) Amounts drawn under the Guarantee shall be paid by an internal transfer of funds on the books of the United States Department of the Treasury from the account of the United States Department of the Treasury to the account of the Federal Financing Bank.

Section 404. Funds Remaining in Principal, Interest and Redemption Sub-accounts. Subject to the certifications set forth below, if, after all amounts due and payable under the Bond Documents, including, but not limited to, each Bond, the Bond Loan Documents, and all amounts (if any) due and payable under each related Reimbursement Note, have been paid in full, there are any funds remaining in the related Principal Sub-account, the related Interest Sub-account or the related Redemption Sub-account, such funds shall be paid to the respective Eligible CDFI. Prior to any disbursements pursuant to this Section 404, the Master Servicer/Trustee shall receive a certification from (i) the CDFI Fund to the effect that no amounts remain outstanding under the Reimbursement Note and (ii) the Qualified Issuer to the effect that no amounts are owed to the Qualified Issuer.

Section 405. Payments from Debt Service Fund; Application of Payments. On each Principal Payment Date, Interest Payment Date, and date Bonds are subject to prepayment, the Master Servicer/Trustee shall pay to the Bondholder all principal, interest, and any Call Premium, due to the Bondholder from the particular Principal, Interest and Redemption Sub-accounts, respectively, of the applicable Debt Service Account within the Debt Service Fund relating to the Bond relating to such Eligible Purpose. Each payment in respect of a Bond shall be applied as provided in the Supplemental Indenture.

## **ARTICLE V**

### **Depositaries of Monies, Security for Deposits and Investment of Funds**

Section 501. Security for Deposits. All monies deposited with the Master Servicer/Trustee under the provisions of this Bond Indenture or any Bond Loan Agreement shall be held in trust and applied only in accordance with the provisions of this Bond Indenture and such Bond Loan Agreement and shall not be subject to any Lien (other than the Lien created hereby) or attachment by any creditor of the Master Servicer/Trustee, the Qualified Issuer, or any Eligible CDFI.

Section 502. Investments of Monies. At the request and the direction of any Eligible CDFI Representative (confirmed in writing), monies held for the credit of the particular accounts of the Project Fund, the Revenue Fund, Debt Service Fund, Risk-Share Pool Fund, and Relending Fund, relating to such Eligible CDFI's Bond shall be invested and reinvested by the Master Servicer/Trustee in Government Obligations which shall mature not later than the



respective dates when the monies held for the credit of said Funds will be required for the purposes intended. The Master Servicer/Trustee shall be entitled to rely on instructions from the applicable Eligible CDFI Representative. The Master Servicer/Trustee shall be fully protected in relying solely upon the directions of any Eligible CDFI Representative in making investments of funds held hereunder. The Master Servicer/Trustee shall have no obligation to invest any funds in the applicable account in the Project Fund, the Revenue Fund, Debt Service Fund, Risk-Share Pool Fund, and Relending Fund absent written direction of the related Eligible CDFI Representative. Monies on deposit in the Bond Issuance Fee Fund shall remain uninvested.

Obligations so purchased as an investment of monies in any such fund or account shall be deemed at all times to be a part of such fund or account, and, unless otherwise provided for herein, the interest accruing thereon and any profit realized from such investment shall be credited to such fund or account, and any loss resulting from such investment shall be charged to such fund or account. Any money earned from the investment of funds in the particular account of the Revenue Fund and the particular Principal, Interest or Redemption Sub-accounts of the Debt Service Account within the Debt Service Fund relating to the Bond that funded a Bond Loan to the respective Eligible CDFI shall be deposited in the appropriate account in the Revenue Fund and applied as provided in Section 402. The Master Servicer/Trustee shall sell at market price or present for prepayment any obligation so purchased whenever it shall be necessary so to do in order to provide cash to meet any payment or transfer from any such fund and account. Neither the Master Servicer/Trustee nor the Qualified Issuer shall be liable or responsible for any loss resulting from any such investment or the sale of any such investment made pursuant to the terms of this Section 502.

For the purpose of the Master Servicer/Trustee's determination of the amount on deposit to the credit of any such fund or account, investments and accrued interest shall be deemed a part thereof and obligations in which monies in such fund and account have been invested shall be valued at the lower of cost or market.

The Master Servicer/Trustee may make any and all investments permitted by this Section 502 through its own bond or investment department, unless otherwise directed in writing by the Eligible CDFI Representative.

## **ARTICLE VI**

### **Prepayment of Bonds**

Section 601. Prepayment Dates and Prices. The Bonds and the Advances made thereunder shall be subject to prepayment prior to maturity in the amounts, at the times and in the manner provided in this Article VI and any provision governing prepayment of the Bond set forth in the particular Supplemental Indenture authorizing the issuance of such Bond. In the event of a conflict between the provisions of this Article VI and the Supplemental Indenture authorizing the issuance of a Bond, the provisions of such Supplemental Indenture shall control with respect to such Bond. Payments of the prepayment price of any Bond shall be made without the prior surrender of such Bond, *provided* that the Bondholder agrees with the Master

Servicer/Trustee to surrender such Bond promptly after receiving payment of the prepayment price.

(a) Optional Prepayment. Subject to Call Premium, if any, or discounts as are set forth in the Bonds, the Bonds and the Advances made thereunder shall be subject to prepayment, in whole or in part, at the option and upon the written direction of the Qualified Issuer, given at the request of the respective Eligible CDFI at any time in the minimum principal amount of \$100,000 per Advance selected for redemption, in the manner set forth in the Bond or the particular Supplemental Indenture authorizing the issuance of such Bond; provided, however, any prepayment date hereunder must be a Business Day on which the Master Servicer/Trustee is open for business.

(b) Mandatory Prepayment. Subject to such Call Premiums or discounts as are set forth in the Bonds, the Bonds and the Advances made thereunder shall be subject to prepayment, in whole or in part, as follows: on the Calculation Date (as defined in Section 308 hereof) of each calendar year, such amounts as are on deposit in the applicable Relending Account of the Relending Fund that exceeds the applicable Relending Account Maximum (as defined in Section 308 hereof) by \$100,000 or more shall be transferred to the Redemption Sub-account of the applicable Debt Service Account and applied in accordance therewith on the date set for prepayment, which date shall be the next succeeding Payment Date; *provided* that the sum of such amounts transferred from the applicable Relending Account of the Relending Fund shall constitute the requisite amounts of principal, together with any interest and Call Premiums or discounts, necessary to effectuate such mandatory prepayment on the date set for prepayment such that no additional funds shall be required in order to do so.

Section 602. Selection of Advances to be Called for Prepayment. Except as otherwise provided herein or in the Supplemental Indenture authorizing the issuance of a Bond, if less than the full amount of any Bond is to be prepaid or redeemed, the partial redemption or prepayment shall: (i) in the event of an optional prepayment, be applied to the Advance(s) identified by the Eligible CDFI in its prepayment notice in inverse order of maturity, or (ii) in the event of a mandatory prepayment, shall be applied in the inverse order of maturity of all outstanding Advances.

Section 603. Notice of Prepayment.

When required to redeem Bonds under any provision of this Article VI, or when directed to do so by the Qualified Issuer or the Eligible CDFI at least ten (10) Business Days prior to the prepayment date, the Master Servicer/Trustee shall cause notice of the prepayment to be given not more than sixty (60) days and not less than five (5) Business Days prior to the prepayment date by faxing a copy of all notices of prepayment to the Bondholder to the fax number in Section 1202. Failure to fax any such notice or any defect in the faxing thereof in respect of any Bond shall not affect the validity of the prepayment of any other Bond. Any such notice shall be given in the name of, and signed by, the Qualified Issuer, and any such notice or direction from the Qualified Issuer to the Master Servicer/Trustee and any notice of prepayment to the Bondholder shall identify the particular Bond to be redeemed (and, in the case of partial prepayment of the Bonds, the respective Advance and principal amounts of such Advances thereof to be redeemed), shall specify the prepayment date (which shall be a Business Day), and

shall state that on the prepayment date the prepayment price of the Bonds called for prepayment will be payable at the principal corporate trust office of the Master Servicer/Trustee and that from that date interest will cease to accrue.

If at the time of faxing of notice of any optional prepayment, there shall not have been deposited with the Master Servicer/Trustee monies sufficient to redeem all the Bonds called for prepayment, such notice may state that it is conditional on the deposit of sufficient monies with the Master Servicer/Trustee not later than the prepayment date, and such notice shall be of no effect unless such monies are so deposited.

## **ARTICLE VII**

### **Particular Covenants and Provisions**

Section 701. Payment of Principal, Premium, if any, and Interest. The Qualified Issuer covenants that it will cause to be paid promptly the principal of, premium, if any, and interest on every Bond issued under this Bond Indenture at the place, on the dates, and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, but solely from the amounts pledged therefor which are from time to time held by the Master Servicer/Trustee in the various accounts of the Debt Service Fund.

The Qualified Issuer shall not be obligated to pay the principal of or the premium, if any, or the interest on the Bonds except from the proceeds of the Bonds (to the extent any such proceeds are on deposit under this Bond Indenture) and from (i) amounts to be paid under the particular Bond Loan Agreement relating to the Bond Loan funded by such Bond, (ii) monies derived from enforcement of the particular Collateral relating to the Bond Loan funded by such Bond, (iii) payments made pursuant to the Agreement to Guarantee, (iv) monies on deposit in the Relending Fund as specified by this Bond Indenture in connection with any mandatory prepayment of the Bonds pursuant to Section 601(b) hereof, and (v) any other money or security held by the Master Servicer/Trustee under the particular Bond Loan Agreement or this Bond Indenture relating to the Bond Loan funded by each Bond for such purpose which amounts are hereby specifically pledged to the payment thereof, including the Trust Estate, in the manner and to the extent herein specified, and nothing in the Bonds or in this Bond Indenture shall be construed as pledging any other funds or assets of the Qualified Issuer to pay amounts owed on the Bonds or any other amount relating thereto.

Section 702. Performance of Covenants. The Qualified Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Indenture and in each Bond Loan Agreement, in any and every Bond executed and delivered hereunder and in all of its proceedings pertaining hereto. The Qualified Issuer covenants that it is duly authorized under state law, to issue the Bonds authorized hereby and to execute this Bond Indenture, to assign each Bond Loan Agreement, and to pledge the amounts to be paid under each Bond Loan Agreement and other amounts hereby pledged in the manner and to the extent herein set forth, that all action on its part necessary to authorize for the issuance of the Bonds and the execution and delivery of this Bond Indenture has been duly and effectively taken.

Section 703. Instruments of Further Assurance. The Qualified Issuer will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as are necessary or as the Master Servicer/Trustee or the CDFI Fund may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Master Servicer/Trustee all and singular the amounts pledged hereby to the payment of the principal, Call Premium, if any, and interest on the Bonds, including, as necessary, or as directed or required by the Master Servicer/Trustee or the CDFI Fund, the filing of initial UCC financing statements in all appropriate jurisdictions. The filing and maintenance of any subsequent UCC financing statements (including, but not limited to, continuation, amendment and termination statements) shall be the responsibility of the Master Servicer/Trustee pursuant to Section 707 hereof and Section 2.19 of the Bond Loan Agreement. The Qualified Issuer shall deliver to the Master Servicer/Trustee copies of financing statements received by the Qualified Issuer in connection with the Secondary Loan collateral (including, but not limited to, initial continuation, amendment and termination statements), and the Master Servicer/Trustee shall maintain copies of the same. The Qualified Issuer, except as provided herein or in any document related to the Collateral and in any Bond Loan Agreement provided, will not sell, convey, mortgage, encumber or otherwise dispose of any part of the amounts, revenues and receipts payable under any Bond Loan Agreement or its rights under any Bond Loan Agreement.

Section 704. Inspection of Books. All books and records, if any, in the Qualified Issuer's possession relating to each Eligible Purpose and the amounts derived from each Eligible Purpose shall at all reasonable times be open to inspection at the principal office of the Qualified Issuer during normal business hours and upon reasonable notice by such accountants or other agents as the Master Servicer/Trustee may from time to time designate. Such books and records shall be maintained by the Qualified Issuer for at least six (6) years following the retirement of the last outstanding Bond issued hereunder.

Section 705. Advise the Qualified Issuer and CDFI Fund of Material Events. The Master Servicer/Trustee shall advise the Qualified Issuer, each Eligible CDFI, and CDFI Fund, in writing in reasonable detail, within thirty (30) days of the event, of any of the following Material Events of which a Responsible Officer of the Master Servicer/Trustee shall have actual knowledge (it being agreed that the Master Servicer/Trustee shall not be required to undertake any independent investigation in order to provide such advice):

- (a) Any fact, circumstance, event, change, occurrence, condition, or development of which the Master Servicer/Trustee is aware and which, individually, or in the aggregate, has had or would reasonably be expected to have a material adverse effect upon an organization's business operation;
- (b) Any proceeding instituted against the Master Servicer/Trustee in, by or before any court, governmental or administrative body or agency, which proceeding or its outcome could have a material adverse effect upon the operations, assets or properties of the Master Servicer/Trustee;

- (c) Any material adverse change in the condition, financial or otherwise, or operations of the Master Servicer/Trustee that would impair the Master Servicer/Trustee's ability to fulfill its obligations under this Bond Indenture;
- (d) Any substantial change in the business of the Master Servicer/Trustee;
- (e) Any assessment (other than assessments provided by an Appropriate Federal or State Banking Agency that are prohibited by applicable law or regulation from disclosure to the Department of the Treasury) of significant or material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect the Master Servicer/Trustee's abilities to record, process, summarize, and report financial information;
- (f) Any fraud, whether or not material, that involves management or other employees of the Master Servicer/Trustee who have a significant role in internal controls over financial reporting;
- (g) Any qualified audit opinions received by the Master Servicer/Trustee or pronouncements of non-reliance on previously issued financial statements by the Master Servicer/Trustee's board of directors or a committee of the board of directors;
- (h) Any changes in key personnel of the Master Servicer/Trustee; key personnel means any employee or contractor of the Master Servicer/Trustee involved in the day to day administration of the duties, responsibilities, and obligations under this Bond Indenture;
- (i) The loss of the Master Servicer/Trustee's Insured Credit Union status as defined in 12 U.S.C. § 1752(7) (if applicable);
- (j) The occurrence of any Event of Default, as that term is defined in Section 801 hereof, or any event which upon notice or lapse of time, or both, would constitute an Event of Default;
- (k) The merger, consolidation or acquisition of the Master Servicer/Trustee by or with another entity, if the Master Servicer/Trustee is not the surviving entity;
- (l) Loss of the Master Servicer/Trustee's Depository Institution Holding Company status under 12 USC § 1813(w)(1) or Insured Depository Institution status under 12 USC § 1813(c)(2) (if applicable); or
- (m) The debarment, suspension, exclusion or disqualification, by the Department of the Treasury, or any other Federal department or agency, of the Master Servicer/Trustee (or principal thereof).

Section 706. Rights Under Agreement. Each Bond Loan Agreement, each security agreement related to the Collateral and the Agreement to Guarantee, a duly executed counterpart of each of which has been filed with the Master Servicer/Trustee, sets forth the covenants and obligations of the Qualified Issuer and the respective Eligible CDFI, and reference is hereby made to each Bond Loan Agreement, each security agreement related to the Collateral and the Agreement to Guarantee for a detailed statement of said covenants and obligations of the respective Eligible CDFI and the Qualified Issuer thereunder, and the Qualified Issuer agrees that the Master Servicer/Trustee in its name or in the name of the Qualified Issuer may enforce all rights (other than Reserved Rights) of the Qualified Issuer and all obligations of each respective Eligible CDFI under and pursuant to each Bond Loan Agreement, each security agreement related to the Collateral and the Agreement to Guarantee for and on behalf of the Bondholder that funds the Bond Loan relating to the respective Bond Loan Agreement and security agreement related to the Collateral, whether or not the Qualified Issuer is in default hereunder. Notwithstanding anything in this Bond Indenture to the contrary, the Qualified Issuer shall not be required to exercise remedies under a Bond Loan Agreement (including acceleration of a Bond Loan) in an Event of Default by an Eligible CDFI, except as instructed to do so by the Guarantor or CDFI Fund, and such instruction has been confirmed in writing by the CDFI Fund, *provided* that it is the intention of the parties hereto that the Qualified Issuer shall not be required to expend or risk its own funds in connection therewith.

Section 707. Recording and Filing. The Qualified Issuer, and pursuant to Section 2.19 of the Bond Loan Agreement, the Eligible CDFI, shall file, at the expense of the respective Eligible CDFI, in the appropriate state and local governmental offices for the recordation of documents where the respective Eligible CDFI is located initial UCC financing statements, prepared in accordance with the applicable law, with respect to the security interests granted by the respective Eligible CDFI and other parties showing the Qualified Issuer as the assignor and the Master Servicer/Trustee as the secured party. The Master Servicer/Trustee shall file, at the expense of the respective Eligible CDFI, in the appropriate land and chattel records, and UCC filing offices, all UCC financing statements other than the initial UCC financing statement (including, but not limited to, continuation, amendment and termination statements) with respect to the Qualified Issuer's and the Master Servicer/Trustee's security interests under this Bond Indenture and each Bond Loan Agreement showing the Master Servicer/Trustee as the secured party. Financing or continuation statements shall be filed or refiled by the Qualified Issuer or the Master Servicer/Trustee, as applicable, at the expense of the respective Eligible CDFI, whenever necessary to preserve the security interests created by the respective Eligible CDFI's Bond Loan Agreement and this Bond Indenture and such Eligible CDFI shall do whatever is necessary to assist the Qualified Issuer or Master Servicer/Trustee in preparing and effectuating such filing. Nothing in this Section 707 is intended to obligate the Master Servicer/Trustee or the Qualified Issuer to file UCC financing statements or continuation statements with respect to specific collateral comprising the Secondary Loan collateral in which the Eligible CDFI is or should be the secured party of record.

Section 708. Encumbrances. The Qualified Issuer and the Master Servicer/Trustee each covenant and agree that, at all times that Bonds are outstanding, each shall keep this Bond Indenture in full force and effect, shall not encumber the Trust Estate and, to the extent it has authority hereunder to do so, the Qualified Issuer shall, as directed by the CDFI Fund, enforce the Master Servicer/Trustee's covenants and agreements in this Bond Indenture.

**ARTICLE VIII**  
**Default and Remedies**

Section 801. Defaults. Each of the following events is hereby declared an “Event of Default” solely with respect to the Bond to which such event relates:

(a) Payment of interest on any Bond shall not be made when the same shall become due; or

(b) Payment of the principal or prepayment price of any Bond shall not be made when the same shall become due, whether at maturity or upon call for prepayment or otherwise; or

(c) An “Event of Default” under the related Bond Loan Agreement shall have occurred and not have been waived or cured; or

(d) the Qualified Issuer shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in any Bond or in this Bond Indenture on the part of the Qualified Issuer to be performed other than as referred to in the preceding paragraphs of this Section 801; or

(e) a Bankruptcy Related Event; or

(f) Any additional “Event of Default” specified in the Supplemental Indenture for the Bond to which such event relates;

*provided, however*, that no default described in clause (d) of this Section 801 shall constitute such an Event of Default with respect to any Bond until written notice specifying such default and requiring the same to be remedied shall have been given to the respective Eligible CDFI and the Qualified Issuer by the Master Servicer/Trustee, at the written direction of the Guarantor or at the written direction of the Bondholder, and the Eligible CDFI and the Qualified Issuer shall have had thirty (30) days after receipt of such notice to correct said default and shall not have corrected said default within the applicable period, *provided, further*, such period may be extended in the sole discretion of the CDFI Fund.

An Event of Default with respect to any Bond shall not trigger a cross default with respect to any other Bond.

Section 802. Acceleration and Annulment Thereof. Upon the occurrence of an Event of Default with respect to any Bond, the Master Servicer/Trustee shall upon (i) the written request of the Guarantor, (ii) the written request of the Bondholder, or (iii) the occurrence of an Event of Default described in clause (a), (b) or (e) of Section 801 hereof, by notice to the Qualified Issuer and the respective Eligible CDFI, declare the entire unpaid principal of and interest on such Bond due and payable; and upon such declaration, the said principal, together with interest accrued thereon, shall become payable immediately at the place of payment provided therein, anything in this Bond Indenture or in such Bond to the contrary notwithstanding. Upon the occurrence of any acceleration hereunder, the Master Servicer/Trustee shall immediately

exercise such rights as it may have as the holder of the particular Note relating to the Bond Loan funded by such Bond to declare all payments thereunder to be due and payable immediately.

Immediately after any acceleration, the Master Servicer/Trustee shall notify in writing the Qualified Issuer and the respective Eligible CDFI of the occurrence of such acceleration. Within five (5) days of the occurrence of any acceleration hereunder, the Master Servicer/Trustee shall notify by first class mail, postage prepaid, the Bondholder of the occurrence of such acceleration.

If, after the principal of any Bond has become due and payable, all arrears of interest upon the Bond and arrears of principal determined to be due thereon by the Bondholder as of the date of rescission (other than principal due solely by such acceleration) are paid by the Qualified Issuer from the Trust Estate or from funds provided by or on behalf of the Eligible CDFI, and the Qualified Issuer also performs all other things with respect to which it may have been in default hereunder and pays from the Trust Estate the reasonable charges of the Master Servicer/Trustee and the Bondholder, including reasonable attorneys' fees and expenses, then, and in every such case, the Bondholder, by written notice to the Qualified Issuer and to the Master Servicer/Trustee, may annul such acceleration and its consequences, and such annulment shall be binding upon the Master Servicer/Trustee and upon the Bondholder. In the event that the Bondholder determines to rescind the acceleration and that less than all arrears of principal is due and payable (other than principal due solely by such acceleration) at the time of such rescission, the Qualified Issuer shall deliver to the Master Servicer/Trustee, in writing, notice of the amount determined by the Bondholder to be so due and payable.

The Master Servicer/Trustee shall forward a copy of any notice from the Bondholder received by it pursuant to the preceding paragraph to the respective Eligible CDFI. Immediately upon such annulment, the Master Servicer/Trustee shall cancel, by notice to the Eligible CDFI, any declaration made by the Master Servicer/Trustee pursuant to this Section 802 with respect to the particular Note relating to the Bond Loan funded by such Bond.

Section 803. Other Remedies; Special Servicing.

- (a) If any Event of Default occurs and is continuing with respect to any Bond, the Master Servicer/Trustee, before or after the principal of such Bond becomes immediately due and payable, may enforce each and every right and remedy granted to it as the holder of the particular Note and under the particular Bond Loan Agreement both relating to the Bond Loan funded by such Bond and any supplements or amendments thereto. Pursuant to Section 6.12 of the Agreement to Guarantee and subject to other provisions of the Agreement to Guarantee, such rights may include, but are not limited to, enforcing the Lien on or foreclosing on any property which secures the related Bond Loan and bidding for and purchasing any property securing such Bond Loan. In exercising such rights and remedies and the rights and remedies given the Master Servicer/Trustee under this Article VIII, the Master Servicer/Trustee shall take such action as, in the judgment of the Master Servicer/Trustee applying the standards described in Section 901 hereof, would best serve the interests of the Bondholder, *provided* that it is the intention of the parties hereto that the Master Servicer/Trustee shall not be required to expend or risk its own funds, except with respect to the advancing of expenses in connection with special servicing functions



pursuant to Section 2.6(d) of the Bond Loan Agreement, or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of its rights or powers.

- (b) In exercising the remedies set forth in Section 7.2(a)(iv) or (v) of a Bond Loan Agreement, the Master Servicer/Trustee shall (i) apply the standards described in Section 901 hereof, (ii) be entitled to compensation in accordance with Section 905 hereof and Section 2.6(d) of a Bond Loan Agreement and (iii) given that time is of the essence, upon direction from the Guarantor to initiate such remedies, commence the engagement of professionals necessary to execute such remedies as soon as practicable; *provided* that the expenses of the Master Servicer/Trustee with respect to such engagements, including the fees charged by any such professionals, shall be commercially reasonable and, in such connection, the Master/ Servicer Trustee may take a commercially reasonable time period to obtain multiple fee quotes in its pursuit of required services, so long as doing so will not materially adversely affect the Trust Estate or the rights and remedies of the Qualified Issuer or the Guarantor; *provided* that the subservicing fees provided for in Section 2.6(d) of the Bond Loan Agreement shall be deemed commercially reasonable.

Section 804. Legal Proceedings by Master Servicer/Trustee. If any Event of Default has occurred and is continuing with respect to any Bond, the Master Servicer/Trustee, upon the written request of the CDFI Fund or the Bondholder and receipt of indemnity to its satisfaction shall, in its own name:

- (i) By suit, action or proceeding at law or in equity, enforce all rights of the Bondholder;
- (ii) Bring suit upon the Bond and the particular Note relating to the Bond Loan that was funded by such Bond; and
- (iii) By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholder.

If an Event of Default described in under Section 801(c) occurs and is continuing with respect to any Bond Loan Agreement relating to any Bond, the Master Servicer/Trustee, upon the written request of the Guarantor or the Bondholder and receipt of indemnity to its satisfaction shall, enforce each and every right granted to it or to the Qualified Issuer under such Bond Loan Agreement or as the holder of the particular Note relating to such Bond Loan Agreement, including, but not limited to, the liquidation of any Bond Loan Collateral.

Section 805. Discontinuance of Proceedings by Master Servicer/Trustee. If any proceeding commenced by the Master Servicer/Trustee on account of any default with respect to any Bond is discontinued or is determined adversely to the Master Servicer/Trustee, then the respective Eligible CDFI, the Qualified Issuer, the Master Servicer/Trustee and the Bondholder shall be restored to their former positions and rights hereunder as though no proceedings had been commenced.

Section 806. Bondholder May Direct Proceedings. Anything to the contrary in this Bond Indenture notwithstanding, the Bondholder shall have the right, after furnishing indemnity satisfactory to the Master Servicer/Trustee, to direct the method and place of conducting all remedial proceedings by, or exercising any trust or power conferred on, the Master Servicer/Trustee hereunder and under the Bond Loan Documents with respect to such Bond, *provided*, that such direction shall not be in conflict with any rule of law or with this Bond Indenture and could not involve the Master Servicer/Trustee in personal liability against which such indemnity would not be satisfactory.

Section 807. Limitations of Actions by Bondholder. The Bondholder shall not have any right to pursue any other remedy hereunder unless:

(a) The Master Servicer/Trustee shall have been given written notice by the Bondholder of an Event of Default with respect to a Bond;

(b) The Bondholder shall have requested the Master Servicer/Trustee, in writing, to exercise the powers hereinabove granted or to pursue the remedies available to it hereunder in its name;

(c) The Master Servicer/Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, except that no offer of indemnification shall be required for a declaration of acceleration under Section 802; and

(d) The Master Servicer/Trustee shall have failed to comply with such request within a reasonable time.

Notwithstanding the foregoing provisions of this Section 807 or any other provision of this Bond Indenture, the obligation of the Qualified Issuer shall be absolute and unconditional to pay hereunder, but solely from the Revenues and other funds pledged under this Bond Indenture, the principal, Call Premium, if any, and interest on, the Bonds to the Bondholder on the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of the Bondholder to enforce such payment.

Section 808. Master Servicer/Trustee May Enforce Rights Without Possession of Bonds. All rights under this Bond Indenture and the Bonds may be enforced by the Master Servicer/Trustee without the possession of any Bonds or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Master Servicer/Trustee shall be brought in its name for the ratable benefit of the Bondholder.

Section 809. Remedies Not Exclusive. No remedy herein conferred is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 810. Delays and Omissions Not to Impair Rights. No delays or omission in respect of exercising any right or power accruing upon any default shall impair such right or power or be a waiver of such default, and every remedy given by this Article VIII may be exercised from time to time and as often as may be deemed expedient.

Section 811. Application of Monies in Event of Default. Any monies received by the Master Servicer/Trustee under this Article VIII shall be applied in the following order:

(i) To the payment of the reasonable costs of the Master Servicer/Trustee, including counsel fees, any disbursements of the Master Servicer/Trustee with interest thereon at the Master Servicer/Trustee's prime rate per annum and their reasonable compensation and all amounts owed to the Master Servicer/Trustee pursuant to Sections 903 and 905 hereof and under the Bond Loan Agreement; and

(ii) Except during the continuance of an Event of Default described in clause (d) of Section 801, to the payment of reasonable costs and expenses of the Qualified Issuer, including reasonable counsel fees, incurred in connection with the Event of Default;

(iii) To the payment of principal or prepayment price (as the case may be) and interest on the defaulted Bond, and in case such monies shall be insufficient to pay the same in full, then to the payment of principal or prepayment price and interest ratably, without preference or priority of one over another or of any installment of interest over any other installment of interest; and

(iv) To the payment of any amounts paid by the Guarantor under the Guarantee.

The surplus, if any, shall be paid FIRST, to the replenishment of any funds drawn from accounts of the Risk-Share Pool Fund relating to other Bonds of other Eligible CDFIs participating in the Bond Issue and SECOND, for application to the respective Eligible CDFI in accordance with Bond Loan Documents or the person lawfully entitled to receive the same as a court of competent jurisdiction may direct. The Master Servicer/Trustee is authorized to establish at such time as shall be required to facilitate the receipt and disbursement of funds pursuant to this Section 811, a special account within the Revenue Fund designated "[ELIGIBLE CDFI] Collateral Account," to the credit of which there shall be deposited all funds received, and from which funds so deposited shall be disbursed, pursuant to said Section. The Collateral Account shall consist of separate and distinct sub-accounts for each Bond into which funds received pursuant to this Section 811 with respect to such Bond shall be deposited. No commingling of monies is permissible among such accounts.

Section 812. Master Servicer/Trustee May File Claim in Bankruptcy. In case of a Bankruptcy Related Event relative to the Qualified Issuer, any Eligible CDFI or any other obligor upon any Bond Loan Agreement or the Bonds or to property of the Qualified Issuer, such Eligible CDFI, or such other obligor or the creditors of any of them, the Master Servicer/Trustee (irrespective of whether the principal of the Bonds shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Master Servicer/Trustee shall have made any demand on such Eligible CDFI for the payment on such Eligible CDFI's Note of an amount equal to overdue principal or interest or additional interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for the whole amount of principal and interest owing and unpaid in respect of the particular Bond that funded the Bond Loan to such Eligible CDFI and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Master Servicer/Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Master Servicer/Trustee and their respective agents and counsel) and of the Bondholder allowed in such judicial proceeding; and

(b) To collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator or sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by the Bondholder to make such payments to the Master Servicer/Trustee, and in the event that the Master Servicer/Trustee shall consent to the making of such payments directly to the Bondholder, to pay to the Master Servicer/Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Master Servicer/Trustee, its agents and counsel, and any other amounts due the Master Servicer/Trustee under Section 811 hereof.

Nothing herein contained shall be deemed to authorize the Master Servicer/Trustee to authorize or consent to or accept, or adopt on behalf of the Bondholder, any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of the Bondholder, or to authorize the Master Servicer/Trustee to vote in respect of the claim of the Bondholder in any such proceeding.

All monies received by the Master Servicer/Trustee pursuant to any right given or action taken under this Bond Indenture shall, after payment of the costs and expenses of the proceedings resulting in the collection of such monies and the fees, and expenses and indemnities of the Master Servicer/Trustee, be deposited in the Debt Service Fund and applied to the payment of the principal of, Call Premium, if any, and interest then due and unpaid on the Bonds in accordance with the provisions of this Bond Indenture.

Section 813. Receiver. Upon the occurrence of an Event of Default with respect to any Bond and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Master Servicer/Trustee and of the Bondholder under this Bond Indenture, the Master Servicer/Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the amounts payable on the particular Note relating to the Bond Loan funded by such Bond or otherwise under the particular Bond Loan Agreement relating to such Bond Loan and assigned to the Master Servicer/Trustee under this Bond Indenture pending such proceedings, with such powers as the court making such appointment shall confer, whether or not any such amounts payable shall be deemed sufficient ultimately to satisfy the Bonds.

Section 814. Guarantor Deemed Bondholder. For all purposes of this Article VIII (other than receipt of payments), the Guarantor shall, so long as the Guarantee shall be in effect, be deemed the Bondholder and registered owner of all Bonds. As such, the Guarantor may take all actions permitted by this Article VIII to be taken by the Bondholder, to the exclusion of the Bondholder, the purpose of this Section 814 being to permit the Guarantor to direct the taking of actions and enforcement of remedies permitted by this Article VIII so long as the Guarantee shall

be in effect. Notwithstanding anything in this Bond Indenture to the contrary, the Qualified Issuer shall be entitled to exercise all remedies available to the Qualified Issuer under a Bond Loan Agreement (including acceleration of the Bond Loan) for a default by an Eligible CDFI in the payment of the applicable Qualified Issuer Fee.

Section 815. Environmental Audit. The Master Servicer/Trustee reserves the right to conduct an environmental audit prior to foreclosing on any mortgaged property. The Master Servicer/Trustee reserves the right to forbear from foreclosing in its own name if to do so may expose it to undue risk. In the event that, following a foreclosure in respect of any mortgaged property, the Master Servicer/Trustee acquires title to any portion of such property or takes any managerial action of any kind in regard thereto in order to carry out any fiduciary or trust obligation for the benefit of another, which in the Master Servicer/Trustee's sole discretion may cause the Master Servicer/Trustee to be considered an "owner or operator" under provisions of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., or otherwise cause the Master Servicer/Trustee to incur liability under CERCLA or any other Federal, state or local law, the Master Servicer/Trustee reserves the right, instead of taking such action, to assign its interests hereunder or to arrange for the transfer of the title or control of the asset to a court appointed receiver.

## **ARTICLE IX**

### **Concerning the Master Servicer/Trustee**

Section 901. Acceptance of Trusts by Master Servicer/Trustee. The Master Servicer/Trustee hereby represents and warrants to the Qualified Issuer (for the benefit of each Eligible CDFI and the Bondholder as well as the Qualified Issuer) that it is a New York corporation and that it is duly authorized under the laws of the State of New York to accept and execute trusts of the character herein set out.

The Master Servicer/Trustee accepts and agrees to execute the trusts imposed upon it by this Bond Indenture, but only upon the terms and conditions set forth in this Article IX and subject to the provisions of this Bond Indenture including the following express terms and conditions, to all of which the parties hereto and the Bondholder agree, except:

(a) Prior to the occurrence and continuance of an Event of Default, the Master Servicer/Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture and as are reasonably required to perform the specific duties set forth herein, and no implied covenants or obligations shall be read into this Bond Indenture against the Master Servicer/Trustee; and

(b) In the absence of bad faith, willful misconduct or negligence on its part, the Master Servicer/Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon directions of each Eligible CDFI Representative and the Qualified Issuer Representative and upon certificates or opinions furnished to the Master Servicer/Trustee and conforming to the requirements of this Bond Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Master Servicer/Trustee, the Master Servicer/Trustee

shall be under a duty to examine the same to determine whether or not they conform to requirements of this Bond Indenture but need not verify the accuracy of the contents thereof.

In case an Event of Default has occurred and is continuing, the Master Servicer/Trustee shall exercise such of the rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Bond Indenture shall be construed to relieve the Master Servicer/Trustee from liability for its own bad faith, negligent action, grossly negligent failure to act, or willful misconduct, except that:

(1) This subsection shall not be construed to limit the effect of the preceding provisions of this Section 901;

(2) The Master Servicer/Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Master Servicer/Trustee unless it shall be proved that the Master Servicer/Trustee was grossly negligent in ascertaining the pertinent facts; and

(3) The Master Servicer/Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholder relating to the time, method and place of conducting any proceeding for any remedy available to the Master Servicer/Trustee, or exercising any trust or power conferred upon the Master Servicer/Trustee under this Bond Indenture or the Bond Loan Documents.

Whether or not therein expressly so provided, every provision of this Bond Indenture that in any way relates to the Master Servicer/Trustee, including without limitation Sections 902 and 903 hereof, shall be subject to the provisions of this Section 901.

The Master Servicer/Trustee also accepts, and agrees to do and perform the duties and obligations imposed upon it by and under each Bond Loan Agreement, but only upon the terms and conditions set forth in the respective Bond Loan Agreement and this Bond Indenture.

Section 902. Master Servicer/Trustee to Give Notice.

(a) If any Event of Default occurs and is continuing hereunder with respect to any Bond, and if the Master Servicer/Trustee has received written notice thereof or is deemed to have notice pursuant to Section 902(b), the Master Servicer/Trustee shall give to the Bondholder and the Qualified Issuer, written notice of such default or Event of Default within thirty (30) days after receipt of such information. For the purpose of this Section 902 only, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default under Section 801 hereof.

(b) The Master Servicer/Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder with respect to any Bond or under the particular Bond Loan Agreement relating to the Bond Loan funded by such Bond except for a default or

Event of Default described in Section 801(a) or (b), unless the Master Servicer/Trustee shall have received written notice of such Event of Default by the Qualified Issuer, the respective Eligible CDFI or by the Bondholder.

Section 903. Master Servicer/Trustee and Qualified Issuer Entitled to Indemnity.

(a) Each Bond Loan Agreement provides that the Eligible CDFI shall indemnify each of the Master Servicer/Trustee and the Qualified Issuer, and each of their respective officers, directors, employees, agents, legal counsel and other contractors (herein, the “Indemnitees”) against any loss, liability or expense incurred by an Indemnatee, arising out of or in connection with the acceptance or administration of its duties under this Bond Indenture, except as set forth in subsection (b). An Indemnatee shall notify the Eligible CDFI promptly of any claim for which it may seek indemnity. Except where the respective Eligible CDFI is the claimant, the respective Eligible CDFI shall defend the claim, and the Indemnatee shall cooperate in the defense. An Indemnatee may have separate counsel, and the respective Eligible CDFI shall pay the reasonable fees and expenses of such counsel. An Indemnatee shall not be required to give any bond or surety in respect to the execution of its rights and obligations hereunder.

(b) The respective Eligible CDFI shall not be obligated to reimburse any expense or to indemnify against any loss or liability incurred by an Indemnatee through gross negligence or willful misconduct.

(c) To secure the respective Eligible CDFI’s payment obligations described in this Section 903, the Master Servicer/Trustee shall have a Lien prior to the Lien created by this Bond Indenture for the benefit of the Bondholder on all money or property held or collected by the Master Servicer/Trustee other than money derived from a draw on the Guarantee. Such obligations shall survive the satisfaction and discharge of this Bond Indenture and the resignation or removal of the Master Servicer/Trustee.

(d) Without prejudice to any other rights available to the Master Servicer/Trustee under applicable law, when the Master Servicer/Trustee incurs expenses or renders services after an Event of Default, the expenses and compensation for the services (including reasonable expenses of legal counsel) are intended to constitute expenses of administration under any applicable bankruptcy law.

(e) The Master Servicer/Trustee, as the case may be, may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Master Servicer/Trustee without indemnity, and in such case the Qualified Issuer shall reimburse the Master Servicer/Trustee from funds available therefor under the Bond Loan Agreement for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith; *provided, however*, that the Master Servicer/Trustee shall (i) make all payments hereunder of principal or prepayment price of and interest on the Bonds, and (ii) accelerate the Bonds when required to do so hereunder other than at the direction of the Bondholder. If the Qualified Issuer shall fail to make reimbursement, the Master Servicer/Trustee may reimburse itself from any monies in its possession under the provisions of this Bond Indenture other than monies derived from a draw on the Guarantee and shall be entitled with respect thereto to a preference over the Bonds.

(f) Subject to the standards described in Section 901 hereof, prior to taking action under this Bond Indenture, except for a declaration of acceleration under Section 802 or the payment of principal of, premium, if any, and interest on the Bonds, the Master Servicer/Trustee may require that satisfactory indemnity be furnished to it for reimbursement of all expenses to which it may be put and to protect it against all liability by reasons of any action so taken, except liability resulting from its gross negligence or willful misconduct. None of the provisions contained in this Bond Indenture is intended to require the Master Servicer/Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or other exercise of its rights or powers hereunder.

Section 904. Master Servicer/Trustee Not Responsible for Insurance, Taxes, Execution of Agreement, Acts of the Qualified Issuer or Application of Monies Applied in Accordance with this Bond Indenture. The Master Servicer/Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by any Eligible CDFI, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Master Servicer/Trustee shall not have responsibility in respect of the validity, sufficiency, due execution or acknowledgment of this Bond Indenture by the Qualified Issuer or the validity or sufficiency of the security provided thereunder or in respect of the validity of the Bonds or the due execution or issuance thereof. The Master Servicer/Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Master Servicer/Trustee shall be under no liability for failure to see that any such duties or covenants are so done or performed.

The Master Servicer/Trustee shall not be liable or responsible because of the failure of the Qualified Issuer or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Qualified Issuer or because of the loss of any monies arising through the insolvency or the act or default or omission of any other depository in which such monies shall have been deposited under the provisions of this Bond Indenture. The Master Servicer/Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other monies deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Bond Indenture.

The immunities and exemptions from liability of the Master Servicer/Trustee hereunder shall extend to their respective directors, officers, employees and agents.

Section 905. Compensation. Subject to the provisions of any contract relating to the compensation of the Master Servicer/Trustee, including Sections 2.6(b) and (c) of the Bond Loan Agreement, the Qualified Issuer shall cause each Eligible CDFI to pay to the Master Servicer/Trustee, as administrative expenses, its reasonable fees and charges in accordance with Section 5.11 of the Bond Loan Agreement between the Qualified Issuer and the respective Eligible CDFI [and those certain fee agreements between the Qualified Issuer and Eligible CDFI, executed in connection with the issuance of the Bonds or the making of the Bond Loan]. Notwithstanding Section 402 hereof, any such fees of the Master Servicer/Trustee paid by the



Eligible CDFI pursuant to Sections 2.6(b) or (d) of the Bond Loan Agreement, upon deposit to the Revenue Fund, shall be disbursed from the Revenue Fund prior to any payments or disbursements made pursuant to Section 402 hereof. In computing the Master Servicer/Trustee's compensation, the parties shall not be limited by any law on the compensation of an express trust. If any Eligible CDFI shall fail to make any payment required by this Section 905, the Master Servicer/Trustee may, but shall be under no obligation to, make such payment from any monies in its possession under the provisions of this Bond Indenture other than monies derived from the Relending Fund or a draw on the Guarantee and shall be entitled to a preference therefor over the Bonds hereunder. The obligations of each Eligible CDFI referred to in this Section 905 shall survive the satisfaction and discharge of this Bond Indenture and the resignation or removal of the Master Servicer/Trustee.

Section 906. Master Servicer/Trustee to Preserve Records. All records and files pertaining to each Eligible CDFI in the custody of the Master Servicer/Trustee shall be open at all reasonable times to the inspection of the Qualified Issuer, the Guarantor, the CDFI Fund and the respective Eligible CDFI and their agents and representatives. The Master Servicer/Trustee shall maintain such records for at least six (6) years following the date the last outstanding Bond issued under this Bond Indenture is retired.

Section 907. Master Servicer/Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Bonds, shall be taken and construed as made by and on the part of the Qualified Issuer and not by the Master Servicer/Trustee, and the Master Servicer/Trustee shall not be under any responsibility for the correctness of the same.

Section 908. No Responsibility for Recording or Filing. Except as set forth in Section 707 and to the extent the execution thereof is required by the Master Servicer/Trustee, the Master Servicer/Trustee shall not be under any obligation to see to the recording or filing of this Bond Indenture, any Bond Loan Agreement, any UCC financing statements or any other instrument or otherwise to the giving to any person of notice of the execution, delivery or recording hereof or thereof.

Section 909. Master Servicer/Trustee May Rely on Bonds. Subject to the provisions of Section 901 hereof, the Master Servicer/Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding in good faith and in accordance with the terms of this Bond Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of any Bond Loan Agreement or this Bond Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Master Servicer/Trustee shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

Any request or direction of the Qualified Issuer or an Eligible CDFI mentioned herein shall be sufficiently evidenced if executed by a Qualified Issuer Representative or an Eligible CDFI Representative. Whenever in the administration of this Bond Indenture or the Bond Loan Documents the Master Servicer/Trustee shall deem it desirable that a matter be proved or

established prior to taking, suffering or omitting any action hereunder, the Master Servicer/Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon a certificate of a Qualified Issuer Representative. The Master Servicer/Trustee may consult with legal counsel and the written advice or written opinion of such legal counsel relating to legal matters shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon; *provided that*, such legal counsel shall be selected by the Master Servicer/Trustee in the operation of reasonable care, taking into account the level and relevance of the experience of such legal counsel with respect to the advice so given. The Master Servicer/Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Master Servicer/Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Master Servicer/Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Qualified Issuer and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation. The Master Servicer/Trustee may execute any of the trusts or powers hereunder or under the Bond Loan Documents or perform any duties hereunder or under the Bond Loan Documents either directly or by or through agents or attorneys, including the Sub-servicer. The Master Servicer/Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith, without gross negligence or willful misconduct, and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Bond Indenture. The Master Servicer/Trustee may request that the Qualified Issuer Representative and each Eligible CDFI Representative deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Bond Indenture, which certificate may be signed by any Qualified Issuer Representative or Eligible Issuer Representative. The Master Servicer/Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Bond Indenture arising out of or caused, directly or indirectly, by any provision of any law or regulation or any act of any governmental authority, acts of God; earthquakes; fire; flood; terrorism; wars and other military disturbances; sabotage; epidemics; riots; interruptions; acts of civil or military authority and governmental action. Except as otherwise expressly provided herein, in the case of any reports delivered to the Master Servicer/Trustee under the Bond Loan Documents, delivery of such reports to the Master Servicer/Trustee is for informational purposes only and the Master Servicer/Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Qualified Issuer's or any Eligible CDFI's compliance with any of its covenants hereunder.

If the Master Servicer/Trustee, in its sole discretion, determines that an ambiguity, uncertainty or inconsistency exists under the Bond Loan Documents or in any notices, instructions or other communications received by the Master Servicer/Trustee thereunder or if the Master Servicer/Trustee (as assignee of the Qualified Issuer or otherwise) has received a request from any party to the Bond Loan Documents to exercise any discretion that it is not expressly required to exercise under the Bond Loan Documents, the Master Servicer/Trustee shall immediately notify the CDFI Fund on behalf of the Bondholder of such ambiguity, uncertainty or inconsistency and of such request to exercise discretion and may, in its sole discretion, refrain from taking any action or from exercising any such discretion, unless the

Master Servicer/Trustee receives instructions, signed by the CDFI Fund on behalf of the Bondholder, which eliminates such ambiguity, uncertainty or inconsistency or directs, subject to Section 806 hereof, the manner in which such discretion may be exercised.

Section 910. Qualification of the Master Servicer/Trustee.

(a) There shall at all times be a Master Servicer/Trustee, hereunder; which shall (i) be an association or a corporation organized and doing business under the laws of the United States of America or of any state, (ii) be authorized under such laws to exercise corporate trust powers hereunder, (iii) together, with the Sub-servicer, if any, have a combined capital and surplus of at least \$10,000,000,000, and (iv) be subject to supervision or examination by Federal or state authority. If such association or corporation is not a commercial bank or trust company, it shall also have a rating by Moody's of A2/P1 or higher, or by S&P of A/A1 or higher or shall otherwise be approved in writing by Moody's or S&P, as the case may be. If such association or corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 910, the combined capital and surplus of such association or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(b) If at any time the Master Servicer/Trustee shall be notified by the Bondholder that it ceases to be eligible in accordance with the provisions of this Section 910, it shall resign promptly in the manner and with the effect specified in Section 911 hereof.

Section 911. Resignation and Removal of Master Servicer/Trustee.

(a) No resignation or removal of the Master Servicer/Trustee and no appointment of a successor Master Servicer/Trustee pursuant to this Article IX shall become effective until the acceptance of appointment by the successor Master Servicer/Trustee under Section 912 hereof.

(b) The Master Servicer/Trustee may resign at any time by giving written notice thereof to the Qualified Issuer, the Eligible CDFI, and the CDFI Fund. If an instrument of acceptance by a successor Master Servicer/Trustee shall not have been delivered to the Master Servicer/Trustee within thirty (30) days after the giving of such notice of resignation, the retiring Master Servicer/Trustee may petition any court of competent jurisdiction for the appointment of a successor Master Servicer/Trustee.

(c) The Master Servicer/Trustee may be removed at any time by an instrument or instruments in writing, delivered to the Master Servicer/Trustee, with copies to the Qualified Issuer and each Eligible CDFI, signed by the CDFI Fund (such instruments to be effective only when received by the Master Servicer/Trustee).

(d) The Qualified Issuer may, subject to the consent of the CDFI Fund, and shall, at the direction of the CDFI Fund, remove the Master Servicer/Trustee at any time, except during the existence of an Event of Default, or an event which but for the passage of time would constitute an Event of Default, for such cause as shall be determined by the CDFI Fund in the exercise of reasonable business judgment by filing with the Master Servicer/Trustee an instrument signed by the Qualified Issuer Representative. The Master Servicer/Trustee may also

be removed at any time by the Qualified Issuer, acting at the written direction of the CDFI Fund, for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Bond Indenture with respect to the duties and obligations of the Master Servicer/Trustee.

(e) If at any time:

(1) The Master Servicer/Trustee shall cease to be eligible under Section 910 hereof, and shall fail to resign after written request therefor by the Qualified Issuer, or any Eligible CDFI, each with the consent of the CDFI Fund, or by the CDFI Fund, or

(2) The Master Servicer/Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Master Servicer/Trustee or of its property shall be appointed or any public officer shall take charge or control of the Master Servicer/Trustee or of its respective property or affairs for the purpose of rehabilitation, conservation or liquidation,

Then, in any such case, the Qualified Issuer, the Bondholder or any Eligible CDFI, each with the consent of the CDFI Fund, may remove the Master Servicer/Trustee.

(f) If the Master Servicer/Trustee shall resign, be removed or become incapable of acting as determined in the sole discretion of the Qualified Issuer at the direction of the CDFI Fund, the Qualified Issuer at the direction of the CDFI Fund shall promptly appoint a successor. If, within sixty (60) days after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Master Servicer/Trustee shall be appointed by act of the Qualified Issuer at the direction of the CDFI Fund delivered to each Eligible CDFI and the retiring Master Servicer/Trustee, the successor Master Servicer/Trustee so appointed shall forthwith upon its acceptance of such appointment become the successor Master Servicer/Trustee and supersede the successor Master Servicer/Trustee appointed by the Qualified Issuer and approved by the Eligible CDFI. If within such 60-day period no successor Master Servicer/Trustee shall have been so appointed by the Qualified Issuer at the direction of the CDFI Fund and accepted appointment in the manner hereinafter provided, the Bondholder, may appoint a successor Master Servicer/Trustee.

(g) The Qualified Issuer shall give notice of each resignation and each removal of the Master Servicer/Trustee and each appointment of a successor Master Servicer/Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Bondholder. Each notice shall include the name and address of the principal corporate trust office of the successor Master Servicer/Trustee.

Section 912. Successor Master Servicer/Trustee. Every successor Master Servicer/Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Qualified Issuer, the Guarantor and each Eligible CDFI, an instrument in writing accepting such appointment hereunder, and thereupon such successor Master Servicer/Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessors; but such predecessor shall, nevertheless, on the written request of its successor or of the Qualified Issuer and upon

payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 905 hereof, execute and deliver an instrument transferring to such successor Master Servicer/Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Master Servicer/Trustee shall deliver all property and monies held by it hereunder to its successor, subject, nevertheless, to its Lien or preference, if any, provided for in Sections 903 and 905 hereof. Should any instrument in writing from the Qualified Issuer be required by any successor Master Servicer/Trustee to more fully and certainly vest in such Master Servicer/Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Master Servicer/Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Qualified Issuer.

Notwithstanding any of the foregoing provisions of this Article IX, any bank or trust company having power to perform the duties and execute the trusts of this Bond Indenture and otherwise qualified to act as Master Servicer/Trustee hereunder with or into which the bank or trust company acting as Master Servicer/Trustee, as the case may be, may be merged, converted or consolidated, or to which substantially all the corporate trust assets and business of such bank or trust company may be sold, shall be deemed the successor of the Master Servicer/Trustee, as the case may be.

Section 913. Co-Master Servicer/Trustee. It is the purpose of this Bond Indenture that there shall be no violation of any law of any jurisdiction denying or restricting the right of certain banking corporations or associations to transact business as trustee as contemplated herein in such jurisdiction. It is recognized that in case of litigation under this Bond Indenture upon the occurrence of an Event of Default, it may be necessary that the Master Servicer/Trustee appoint an additional individual or institution as a separate Master Servicer/Trustee or Co-Master Servicer/Trustee, which shall be satisfactory to the Guarantor. The following provisions of this Section 913 are adapted to these ends.

In the event of the incapacity or lack of authority of the Master Servicer/Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the rights, powers and trusts herein granted to the Master Servicer/Trustee or to hold title to the Trust Estate or to take any other action which may be necessary or desirable in connection therewith, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and Lien expressed or intended by this Bond Indenture to be exercised by or vested in or conveyed to the Master Servicer/Trustee with respect thereto shall be exercisable by and vest in such separate Master Servicer/Trustee or Co-Master Servicer/Trustee but only to the extent necessary to enable the separate Master Servicer/Trustee or Co-Master Servicer/Trustee to exercise such rights, powers and trusts, and every covenant and obligation necessary to the exercise thereof shall run to and be enforceable by such separate Master Servicer/Trustee or Co-Master Servicer/Trustee.

Should any deed, conveyance or instrument in writing from the Qualified Issuer be required by the separate Master Servicer/Trustee or Co-Master Servicer/Trustee so appointed by the Master Servicer/Trustee in order to more fully and certainly vest in and confirm to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments shall, on request, be executed, acknowledged and delivered by the Qualified Issuer. In case any separate Master Servicer/Trustee or Co-Master Servicer/Trustee or

a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Master Servicer/Trustee or Co-Master Servicer/Trustee, so far as permitted by law, shall vest in and be exercised by the Master Servicer/Trustee until the appointment of a new Master Servicer/Trustee or successor to such separate Master Servicer/Trustee or Co-Master Servicer/Trustee.

Section 914. Review of Master Servicer/Trustee. The performance of the Master Servicer/Trustee shall be reviewed by the Qualified Issuer on at least an annual basis and the Qualified Issuer shall report to the Guarantor thereon. The Qualified Issuer shall adopt commercially reasonable methods to assess the performance of the Master Servicer/Trustee with respect to the Master Servicer/Trustee's obligations to the Qualified Issuer and the Bondholder under the Bond Documents. The Qualified Issuer shall report in writing any material failures identified upon such reviews of the Master Servicer/Trustee's performance to the Guarantor as soon as practicable. The Qualified Issuer will, as soon as practicable, provide written notice to the CDFI Fund of any material failure by the Master Servicer/Trustee to discharge any duty of the Master Servicer/Trustee hereunder of which the Qualified Issuer has notice.

Section 915. Subcontracting Relationships of the Master Servicer/Trustee. The Master Servicer/Trustee shall not subcontract any services required, pursuant hereto or pursuant to any of the other Bond Loan Documents, to be rendered by the Master Servicer/Trustee to or on behalf of the Qualified Issuer, each Eligible CDFI, the Bondholder, the Guarantor or any other Person material to the Bonds or any Bond Loan (individually and collectively, the "Material Parties"), without (i) the prior written consent of the CDFI Fund and (ii) notice of the proposed subcontract to the Qualified Issuer together with a certification of the Qualified Issuer that there exist no conflicts of interest between the Qualified Issuer and the proposed subcontractor, or either of their affiliates. The Qualified Issuer acknowledges that the Master Servicer/Trustee has, with the consent of the Qualified Issuer and the CDFI Fund, engaged Midland Loan Services, a division of PNC Bank, National Association, as Sub-Servicer (the "Sub-Servicer"), to perform certain of the functions, requirements and obligations of the Master Servicer/Trustee as herein set forth and as set forth in the Bond Loan Agreement and hereby certifies that no such conflict of interest exists; *provided, however*, that neither the Qualified Issuer nor the CDFI Fund have reviewed any agreements between the Master Servicer/Trustee and the Sub-Servicer and are under no obligation to do so or provide consent to the same with respect to the Sub-Servicer or any other approved subcontractor, except that the Qualified Issuer acknowledges that it and the CDFI Fund recognize the use by the Sub-Servicer of the CDFI Revenue Clearing Account into which Loan Deposits are to be made and the retention by the Sub-Servicer as part of its compensation of any interest thereon. The CDFI Revenue Clearing Account will be established as a zero balance, demand deposit account which will be swept nightly as part of the Master Servicer Trustee remittance. Notwithstanding the foregoing, in accordance with Section 1204, neither the Sub-Servicer nor any other approved subcontractor is or shall be a third party beneficiary of this Bond Indenture. The Bank of New York Mellon or its successor or co-trustee pursuant to Sections 912 and 913, respectively, is the sole person (i) responsible for the delivery of services, the discharging of duties and obligations hereunder, and any liabilities associated with the foregoing; or (ii) entitled to fees for, or indemnity related, to services rendered hereunder by the Master Servicer/Trustee. The Master Servicer/Trustee is hereby charged with overseeing, maintaining, amending or terminating its relationship with approved subcontractors in a manner which is not inconsistent with the Master Servicer/Trustee's obligations under this

Bond Indenture and does not impair or adversely affect, in any manner, the rights and interests granted to the Material Parties under the Bond Loan Documents.

**ARTICLE X**  
**Execution of Instruments by Bondholder**  
**and Proof of Ownership of Bonds**

Section 1001. Execution of Instruments by Bondholder and Proof of Ownership of Bonds. Any request direction, consent or other instrument in writing required or permitted by this Bond Indenture to be signed or executed by the Bondholder may be signed or executed by the Bondholder or its attorneys or legal representatives by an instrument in writing. Proof of the execution of any such instrument and of the ownership of the Bonds shall be sufficient for any purpose of this Bond Indenture and shall be conclusive in favor of the Master Servicer/Trustee with regard to any action taken by it under such instrument if made in the following manner:

The fact and date of the execution by any person of any such instrument may be proved by the verification of any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution, and where such execution is by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such verification or affidavit shall also constitute sufficient proof of his authority.

Nothing contained in this Section 1001 shall be construed as limiting the Master Servicer/Trustee to such proof, it being intended that the Master Servicer/Trustee may accept any other evidence of the matters herein stated which may be sufficient. Any request or consent of the Bondholder shall bind every future bondholder of the Bonds to which such request or consent pertains or any Bonds issued in lieu thereof in respect of anything done, by the Master Servicer/Trustee pursuant to such request or consent.

Notwithstanding any of the foregoing provisions of this Section 1001, the Master Servicer/Trustee shall not be required to recognize any person as an owner of Bonds or to take any action at his request unless the Bonds shall be deposited with it.

**ARTICLE XI**  
**Amendments and Supplements; Discharge**

Section 1101. Amendments and Supplements Without Bondholder's Consent. This Bond Indenture may be amended or supplemented by the Qualified Issuer and the Master Servicer/Trustee at any time and from time to time, without the consent of the Bondholder, but with the written consent of the CDFI Fund and the Eligible CDFIs affected by such amendment or supplement, by a supplemental indenture authorized by the Qualified Issuer filed with the Master Servicer/Trustee, for one or more of the following purposes:

(a) To add additional covenants of the Qualified Issuer or to surrender any right or power herein conferred upon the Qualified Issuer;

(b) For any purpose not inconsistent with the terms of this Bond Indenture or to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Bond Indenture, *provided* that no amendment or supplement pursuant to this clause (b) shall adversely affect the interests of the Bondholder;

(c) To subject additional revenues, properties or collateral to this Bond Indenture;

(d) To permit the appointment of a co-trustee under this Bond Indenture;

(e) To authorize the issuance of a Bond as provided in Section 202;

(f) To make any change herein which shall not prejudice in any material respect the rights of the Bondholder *provided* that no consent of any Eligible CDFI shall be required for the purposes specified in (e) above.

Section 1102. Amendments With Bondholder's Consent. Except for amendments or supplements of the Bond Indenture as provided in Section 1101, this Bond Indenture may be amended by the Qualified Issuer and the Master Servicer/Trustee from time to time, except with respect to (1) the principal, prepayment price, or interest payable upon any Bonds, (2) the Interest Payment Dates, the Principal Payment Dates, the Maturity Dates or the prepayment provisions of any Bonds, and (3) this Article XI, by a supplemental indenture consented to in writing by the CDFI Fund and Eligible CDFIs affected by such amendments and approved by the Bondholder. This Bond Indenture may be amended with respect to the matters enumerated in clauses (1) through (3) of the preceding sentence with respect to the Bonds only with the consent of the Bondholder, the Guarantor, and the respective Eligible CDFI.

Section 1103. Amendments to Bond Loan Agreement Not Requiring Consent of Bondholder. The Master Servicer/Trustee shall, without the consent of, or notice to, the Bondholder, but with the consent of the applicable Eligible CDFI and the CDFI Fund, shall consent to any amendment, change or modification of any Bond Loan Agreement as follows:

(a) As may be required by the provisions of the Guarantee, the Bond Loan Agreement, this Bond Indenture or the applicable Supplemental Indenture;

(b) To cure any formal defect, omission, inconsistency or ambiguity in the Bond Loan Agreement in a manner not materially adverse to the Bondholder of any Bond to be Outstanding after the effective date of the change; or

(c) To modify, amend or supplement the Bond Loan Agreement in any other respect which is not materially adverse to the Master Servicer/Trustee or Bondholder after the effective date of the change and which does not involve a change described in Section 1104; *provided, however*, that nothing contained in this Section 1103 shall permit, or be construed as permitting, any amendment, change or modification of the Eligible CDFI's obligation to make the payments



required under the Bond Loan Agreement, including, but not limited to, (i) a decrease in the amounts payable on a particular Note relating to such Bond Loan, (ii) a change in the due date or dates of principal or interest on such Note or (iii) a change in any of the prepayment provisions of such Note, without the consent of the Bondholder.

Section 1104. Amendments to Bond Loan Agreement Requiring Consent of Bondholder. Except for the amendments, changes or modifications of the Bond Loan Agreement as provided in Section 1103 hereof, neither the Qualified Issuer nor the Master Servicer/Trustee shall consent to any other amendment, change or modification of the Bond Loan Agreement without the consent of the CDFI Fund and the applicable Eligible CDFI and without the giving of notice and the written approval or consent of the Bondholder. If at any time the Qualified Issuer and the Eligible CDFI shall request the consent of the Master Servicer/Trustee to any such proposed amendment, change or modification of the Bond Loan Agreement, the Master Servicer/Trustee shall cause notice of such proposed amendment, change or modification to be given to the CDFI Fund, the Master Servicer/Trustee and the Bondholder. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall include copies of the instrument embodying the same.

Section 1105. Opinion of Bond Counsel Required. No supplement or amendment to the Bond Loan Agreement or this Bond Indenture or the applicable Supplemental Indenture, as described in this Article XI, shall be effective until the Qualified Issuer, the Master Servicer/Trustee and the CDFI Fund shall have received an opinion of Bond Counsel to the effect that such supplement or amendment is authorized or permitted by this Bond Indenture or the applicable Supplemental Indenture and, upon execution and delivery thereof, will be valid and binding upon the Qualified Issuer in accordance with its terms. The Master Servicer/Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it as conclusive evidence that (i) any proposed supplemental indenture or amendment permitted by this Article XI complies with the provisions of this Bond Indenture or the applicable Supplemental Indenture, (ii) it is proper for the Master Servicer/Trustee to join in the execution of that supplemental indenture or amendment under the provisions of this Article XI, and (iii) if applicable, such proposed supplemental indenture or amendment is not materially adverse to the interests of the Bondholder. The Master Servicer/Trustee may, but shall not be obligated to, enter into or consent to any supplement or amendment to this Bond Indenture or the Bond Loan Agreement which affects the Master Servicer/Trustee's own rights, duties or immunities under this Bond Indenture or any other Bond Loan Document. The expenses associated with any such opinion shall be paid by the related Eligible CDFI.

Section 1106. Discharge of Bond Indenture.

(a) If and when the whole amount of the principal, Call Premium, if any, and interest due and payable upon the Bonds of a Bond Issue shall be paid, or provision shall have been made for the payment of them as and when due, whether at maturity or by call for prepayment or otherwise, all in accordance with the terms and provisions of this Section 1106, and payment of or provision for all other sums payable hereunder and under the Bond Loan Agreement and the Note in respect of the applicable Bonds shall have been made (including, without limitation, all fees and expenses of the Master Servicer/Trustee, the Guarantor and the Qualified Issuer), then and in that case, the right, title and interest of the Bondholder and the Master Servicer/Trustee in

and to the monies, rights and properties pledged as security for the respective Bonds, excepting only the cash on deposit in the applicable Redemption Sub-account to effectuate repayment, and all covenants, agreements and other obligations of the Qualified Issuer and the Eligible CDFI to the Bondholder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Master Servicer/Trustee shall, except as aforesaid, surrender such monies, rights and properties to the applicable Eligible CDFI. The Master Servicer/Trustee shall execute such documents as may be reasonably required by the Qualified Issuer to effect such assignments and transfers; *provided* that the discharge of the Bond Indenture with respect to any particular Bond or portion of a Bond shall not impair or affect the Lien of the Bond Indenture on the Trust Estate with respect to any other Bond or amounts that remain outstanding under any other Bond.

There shall be deemed to be such due payment or provision for the same when there has been placed in escrow or in trust with the Master Servicer/Trustee cash sufficient to meet all requirements of the applicable Bonds, as they become due on or prior to the final maturity of such Bonds or on or prior to any prepayment date as of which the Eligible CDFI, the Qualified Issuer or the Guarantor in accordance with the terms of the respective Bond Loan Agreement and this Bond Indenture shall have directed the Master Servicer/Trustee to exercise a prepayment.

(b) Promptly after the complete discharge as provided in paragraph (a), the Master Servicer/Trustee shall give notice to the Qualified Issuer of such discharge.

(c) Any discharge under this Article shall be without prejudice to the right of the Master Servicer/Trustee to be paid as provided hereunder reasonable compensation for all services rendered by the Master Servicer/Trustee hereunder and all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on and about the administration of the trusts hereby created and the performance of its powers and duties hereunder, together with any other rights to be reimbursed of the Master Servicer/Trustee, and any such discharge under this Section 1106 shall be without prejudice to the right of the Qualified Issuer to be paid as provided hereunder, and under the Bond Loan Agreements, reasonable compensation for all services rendered by the Qualified Issuer hereunder in connection with such discharge or otherwise in connection with the Bonds and all of its reasonable expenses charges and other disbursements and those of its attorneys, agents and employees incurred in connection therewith, together with any other rights to be reimbursed of the Qualified Issuer.

(d) Upon repayment of all amounts due and payable on any and all Bonds issued under this Bond Indenture in accordance with paragraph (a) above, all covenants, agreements and other obligations of the Qualified Issuer hereunder shall cease, terminate and be void, and thereupon the Master Servicer/Trustee shall, at the request of the Qualified Issuer, cancel and discharge this Bond Indenture and execute and deliver to the Qualified Issuer and each Eligible CDFI such instruments in writing as shall be reasonably required by the Qualified Issuer to evidence the discharge hereof; otherwise, this Bond Indenture shall be and remain in full force and effect.

#### Section 1107. Notice of Amendments and Supplements.

In addition to any other notice obligation of the Master Servicer/Trustee hereunder, the Master Servicer/Trustee shall be required to provide to each Eligible CDFI promptly upon execution or receipt thereof, complete copies of all amendments, supplements or other modifications to or of this Indenture or any Supplemental Indenture requested by or consented to by any Eligible CDFI, together with copies of any opinions of Bond Counsel received hereunder.

## **ARTICLE XII Miscellaneous Provisions**

### Section 1201. Covenants of the Qualified Issuer to Bind its Successors.

(a) In the event of the dissolution of the Qualified Issuer, all of the covenants, stipulations, obligations and agreements contained in this Bond Indenture by or on behalf of or for the benefit of the Qualified Issuer shall bind or inure to the benefit of the successor or successors of the Qualified Issuer from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term the “Qualified Issuer” as used in this Bond Indenture shall include such successor or successors. All covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the issuance of the Bonds herein contemplated and shall continue in full force and effect so long as the obligations hereunder are outstanding. Whenever in this Bond Indenture and the other Bond Loan Documents, the Qualified Issuer is referred to, such reference shall be deemed to include the successors and assigns of the Qualified Issuer; and all covenants, promises and agreements by or on behalf of the Qualified Issuer which are contained in this Bond Indenture and the other Bond Loan Documents shall bind its successors and assigns and inure to the benefit of the successors and assigns of the Master Servicer/Trustee, the applicable Eligible CDFI, the Bondholder or the Guarantor, as applicable.

(b) So long as Bonds are outstanding, the Qualified Issuer shall not consolidate with or merge with or into any other entity or convey, transfer or lease its assets substantially as an entirety to any entity, unless:

(i) The entity formed by such consolidation or into which the Qualified Issuer is merged or the entity which acquires by conveyance or transfer, or which leases, the assets of the Qualified Issuer substantially as an entirety shall be a corporation, partnership, trust or limited liability company, organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by an indenture supplemental hereto, executed and delivered to and in form satisfactory to the Master Servicer/Trustee, the due and punctual payment of the principal of and any Call Premium and interest on all the Bonds in accordance with their terms, which are non-recourse obligations of the Qualified Issuer and which are paid solely from funds available and pledged through the Trust Estate, and the performance or observance of every covenant of this Bond Indenture on the part of the Qualified Issuer to be performed or observed; and

(ii) Immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(iii) The Qualified Issuer has delivered to the Master Servicer/Trustee an opinion of counsel and a certificate of a Qualified Issuer Representative, stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with this Article; and

(iv) The CDFI Fund has determined, in writing, that the successor entity formed by such consolidation or into which the Qualified Issuer is merged or to which such conveyance, transfer or lease is made meets all Qualified Issuer requirements as set forth in the Regulations, and that said successor entity may assume all Qualified Issuer requirements and responsibilities as set forth in the Agreement to Guarantee.

(c) Upon any consolidation of the Qualified Issuer with, or merger of the Qualified Issuer into, any other entity or any conveyance, transfer or lease of the assets of the Qualified Issuer substantially as an entirety in accordance with this Section 1201, the successor entity formed by such consolidation or into which the Qualified Issuer is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Qualified Issuer under this Bond Indenture with the same effect as if such successor entity had been named as the Qualified Issuer herein, and thereafter, except in the case of any lease, the Qualified Issuer shall be relieved of all obligations and covenants under this Bond Indenture and the Bonds and may be dissolved and liquidated.

Section 1202. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Bond Indenture to be given to or filed with the Qualified Issuer, the Master Servicer/Trustee, Guarantor, the CDFI Fund, Bondholder, or the Eligible CDFI shall be in writing and shall be deemed given or filed for all purposes of this Bond Indenture when delivered by hand delivery or mailed by first-class, postage prepaid, registered or certified mail, addressed as follows:

If to Qualified Issuer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Master Servicer/Trustee:

The Bank of New York Mellon  
101 Barclay Street, Floor 11W  
New York, New York 10286

Attention: CDFI Group

Phone: 212-815-6008

Facsimile: 212-815-6057

Email: [cdfigroup@bnymellon.com](mailto:cdfigroup@bnymellon.com)

If to Qualified Issuer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Master Servicer/Trustee:

The Bank of New York Mellon  
101 Barclay Street, Floor 11W  
New York, New York 10286  
Attention: CDFI Group

Phone: 212-815-6008

Facsimile: 212-815-6057

Email: [cdfigroup@bnymellon.com](mailto:cdfigroup@bnymellon.com)

If to Guarantor:

The Secretary of the Treasury  
c/o Deputy Assistant Secretary for Small  
Business, Community Development and  
Housing Policy  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

with a copy to:

Assistant General Counsel, Banking and  
Finance  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

If to the CDFI Fund:

Program Manager  
CDFI Bond Guarantee Program  
CDFI Fund  
U.S. Department of the Treasury

1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

with a copy to:

Legal Counsel  
CDFI Fund  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

If to Bondholder:

Manager  
Federal Financing Bank  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

Telephone No. (202) 622-2470  
Facsimile No. (202) 622-0707  
Email address FFB\_Admin@treasury.gov

If to a Eligible CDFI:

at such address as specified in the particular  
Bond Loan Agreement;

and if sent by facsimile, confirmed by telephone report of delivery requested, addressed as above, at the time and date appearing on the report of delivery. A duplicate copy of each notice or other communication given hereunder by either the Qualified Issuer or the Master Servicer/Trustee to the other shall also be given to the respective Eligible CDFI.

The Master Servicer/Trustee agrees to accept and act upon instructions or directions pursuant to this Bond Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods; *provided, however*, that (a) the party providing such electronic instructions or directions, subsequent to the transmission thereof, shall provide the originally executed instructions or directions to the Master Servicer/Trustee in a timely manner and (b) such originally executed instructions or directions shall be signed by an authorized representative of the party providing such instructions or directions. The Master Servicer/Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Master Servicer/Trustee's reliance upon and compliance with such instructions or directions notwithstanding such instructions or directions conflict or are inconsistent with a subsequent written instruction or direction or if the subsequent written instruction or direction is never received. The party providing instructions or directions by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, as aforesaid, agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Master Servicer/Trustee, including without limitation the risk of the Master Servicer/Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

All documents received by the Master Servicer/Trustee or under the provisions of this Bond Indenture, or photographic copies thereof, shall be retained in its possession until this Bond Indenture shall be released in accordance with the provisions hereof, subject at all reasonable times to the inspection of the Qualified Issuer and the Bondholder and the agents and representatives thereof.

The Qualified Issuer, the Master Servicer/Trustee, the CDFI Fund, the Guarantor and each Eligible CDFI may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 1203. Master Servicer/Trustee as Paying Agent and Registrar. The Master Servicer/Trustee is hereby designated and agrees to act as Paying Agent and Registrar for and in respect of the Bonds and any amounts received under the Bond Loan Agreement.

Section 1204. Rights Under Bond Indenture. Except as herein otherwise expressly provided, nothing in this Bond Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto, the Eligible CDFIs and the Bondholder, any right, remedy or claim, legal or equitable, under or by reason of this Bond Indenture or any provision hereof, this Bond Indenture and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto, the Eligible CDFIs and the Bondholder from time to time of the Bonds issued hereunder.

Section 1205. Reliance upon Bond and other Instruments. Except as otherwise provided in this Bond Indenture, any request, notice, certificate or other instrument from the Qualified Issuer or any Eligible CDFI to the Master Servicer/Trustee shall be deemed to have been signed by the proper party or parties if signed by the Qualified Issuer Representative or the respective Eligible CDFI Representative, respectively, and the Master Servicer/Trustee may accept and rely upon a certificate signed by the Qualified Issuer Representative as to any action taken by the Qualified Issuer and by any Eligible CDFI Representative as to any action taken by the respective Eligible CDFI.

Section 1206. Severability. In case any one or more of the provisions of this Bond Indenture or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Bond Indenture or of the Bonds, but this Bond Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein; in case any covenant, stipulation, obligation or agreement of the Qualified Issuer contained in the Bonds or in this Bond Indenture shall for any reason be held to be in violation of law then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Qualified Issuer to the full extent permitted by law.

Section 1207. Covenants of the Qualified Issuer; Not Covenants of Officials Individually. All covenants, stipulations, obligations and agreements of the Qualified Issuer contained in this Bond Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Qualified Issuer to the full extent permitted by the Constitution and laws of the State. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any past, present or future member, officer,

director, agent or employee of the Qualified Issuer in his individual capacity, and neither the members, officers, directors, agents or employees of the Qualified Issuer nor any other officer of the Qualified Issuer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, agent or employee of the Qualified Issuer shall incur any personal liability in acting or proceeding or in not acting or not proceeding in accordance with the terms of this Bond Indenture.

Section 1208. Governing Law. This Bond Indenture shall be governed by and construed in accordance with the laws of the District of Columbia; *provided*, that the immunities and standard of care of the Master Servicer/Trustee in connection with its administration of its trusts and duties hereunder shall be governed by and construed in accordance with the internal laws of the State of New York.

Section 1209. Payments or Performance Due on Days Other Than Business Days. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for prepayment of the Bonds or the specified last date for the performance of any act or the exercising of any right shall be a day other than a Business Day, then such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if made, performed or exercised on the specified date, *provided*, that interest shall accrue for the period of any such extension.

Section 1210. Execution in Counterparts. This Bond Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument, and no one counterpart of which need be executed by all parties.

Section 1211. Waiver of Trial by Jury. EACH OF THE QUALIFIED ISSUER AND THE MASTER SERVICER/TRUSTEE, BY ITS ACCEPTANCE THEREOF, HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE BOND INDENTURE, THE BONDS OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 1212. Form of Documents to be delivered to Master Servicer/Trustee. Each document required to be delivered to the Master Servicer/Trustee under Section 209 hereof as a condition to the issuance of any Bond and under Article III hereof and Article 3 of a Bond Loan Agreement in connection with a disbursement of funds, may, and if so requested by the Master Servicer/Trustee, shall be delivered to the Master Servicer/Trustee by e-mail (including in portable document format), facsimile transmission or other similar electronic means and the Master Servicer/Trustee shall be entitled to conclusively assume that documents provided as aforesaid are identical to the originally manually executed versions thereof and shall not be responsible for any inconsistency or discrepancy between such originals and the documents so provided as aforesaid.

Section 1213. Conflicts. In the event of any inconsistency among the provisions of this Indenture, the Agreement to Guarantee, and the Bond Loan Agreement, the provisions of the



Bond Loan Agreement shall control, except with respect to the rights and obligations of the Master Servicer/Trustee, which shall be controlled by this Indenture, except to the extent that such rights and obligations of the Master Servicer/Trustee are derived from the assignment of rights and obligations of the Qualified Issuer pursuant to the Bond Loan Agreement.

[Signature pages follow]

**IN WITNESS WHEREOF**, the Qualified Issuer has caused this Bond Indenture to be executed in its name and on its behalf by its Qualified Issuer Representative and the official seal of the Qualified Issuer to be impressed hereon and the Master Servicer/Trustee has caused this Bond Indenture to be executed in its name and on its behalf by its authorized officer, all as of the date and year first above written.

**[QUALIFIED ISSUER]**

By: \_\_\_\_\_ (SEAL)  
Title: \_\_\_\_\_

ATTESTED BY:

By: \_\_\_\_\_  
Title: Secretary

[Bond Trust Indenture: Qualified Issuer signature page]

**THE BANK OF NEW YORK  
MELLON,**  
as Master Servicer/Trustee

By: \_\_\_\_\_  
Title: \_\_\_\_\_

[Bond Trust Indenture: Master Servicer / Trustee signature page]