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THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, OFFERED FOR SALE, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS SUCH SALE, TRANSFER OR OTHER DISPOSITION IS MADE PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND ANY APPLICABLE BLUE SKY LAW OR UNLESS AN EXEMPTION UNDER SUCH ACT AND ANY APPLICABLE BLUE SKY LAW IS AVAILABLE.

NATIONAL COMMUNITY CAPITAL ASSOCIATION

\$ [REDACTED]

Floating Rate Note due January 31, 2007
(or such later date as may be determined in the manner provided herein)

For value received, the National Community Capital Association, a non-stock corporation organized under the laws of the State of California (together with its successors, the "Association") hereby promises to pay to [REDACTED], or registered assigns (the "Holder"), the principal amount of \$ [REDACTED] on January 31, 2007 or such later date as may be determined in the manner provided herein, and interest thereon, from February 28, 1997 (the "Issue Date"), at the Note Interest Rate (as defined below), until the principal amount hereof is paid or duly made available for payment. Interest will be payable quarterly on December 31, March 31, June 30 and September 30 of each year, or the next succeeding Business Day (as defined below) if such day is not a Business Day, commencing March 31, 1997 (each, an "Interest Payment Date") and at Maturity (as defined below).

The interest so payable on any Interest Payment Date will be paid to the person in whose name this Note is registered at the close of business on the record date for such interest, which shall be the date 15 calendar days prior to each Interest Payment Date whether or not a Business Day. Any such interest not so punctually paid or duly provided for shall be paid to the Holder hereof at such time as such funds become available for payment (rather than being paid to the Holder on the record date). Notwithstanding the foregoing, interest payable on this Note at

Equity Equivalent Agreement

(1) For the purpose of sharing the general form of this document with interested external parties, the document has been altered to maintain confidentiality with regard to the specific covenants contained in this Note and to update the "Association's" name from the National Association of Community Development Loan Funds to the National Community Capital Association. No other changes have been made.

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Maturity will be payable to the person to whom principal is payable. "Maturity" means the date on which the principal of this Note becomes due and payable as herein provided, whether at the stated maturity or by declaration of acceleration, request for redemption or otherwise.

On February 28 of each year commencing in 1998 and terminating on February 28 in 2002 (each such date, an "Extension Determination Date"), in the event that no Covenant Default or Event of Default (each as defined below) has occurred and is continuing, the Maturity hereof shall automatically be extended an additional year. In the event that any Covenant Default or Event of Default has occurred and is continuing, the Holder may, prior to the Extension Determination Date, inform the Association of such Covenant Default or Event of Default and deliver written notice to the Association of its intention not to extend the Maturity an additional year (a "Termination Notice"). If a Covenant Default is described in such Termination Notice and such Covenant Default is cured in all material respects within 60 days of receipt by the Association of the Termination Notice, then the Maturity hereof shall automatically be extended for an additional year and the Termination Notice shall be of no effect. The failure by the Holder to so notify the Association and/or declare such intention with respect to any particular Extension Determination Date shall not in any way be deemed to constitute a waiver of its right to do so with respect to any determination as of a subsequent Extension Determination Date.

On February 28 of each year commencing in 2003, unless the Holder delivers a Termination Notice to the Association to the contrary prior to February 28 of each such year, the Maturity hereof shall, on such date, automatically be extended by one additional year. However, the Holder is under no obligation whatsoever to provide any such extension. Such one year extensions shall be continued indefinitely, until the Holder notifies the Association of its determination not to extend the Maturity hereof by delivery of a Termination Notice.

Notwithstanding any notice to the Association pursuant to the foregoing paragraphs, Holder may at any time elect to rescind its Termination Notice and by subsequent notice to the Association reinstate the term of the Note as in effect immediately preceding such Termination Notice, and the term hereof may be extended thereafter as provided above.

The Note Interest Rate for this Note shall be determined as follows: For the initial Interest Period (as defined below), the Note Interest Rate will be [REDACTED]% per annum, which is the Treasury Rate (as defined below) for the initial Interest Period minus [REDACTED]%. For each succeeding Interest Period, the Note Interest Rate will be reset on the last day of the immediately preceding Interest Period, unless such date is also the Interest Determination Date (as defined below) related to such Interest Reset Date, in which case such Interest Reset Date shall instead be the first Business Day immediately following such Interest Determination Date (each such date, an "Interest Reset Date"). The Note Interest Rate on any Interest Reset Date shall be the Treasury Rate as determined on the Wednesday (or the immediately preceding Business Day if such day is not a Business Day) in February of each year immediately preceding the related Interest Reset Date (the "Interest Determination Date"), minus [REDACTED]%. Notwithstanding the foregoing, under no circumstances shall the Note Interest Rate be less than 0.00%

"Treasury Rate," with respect to each Interest Period, means the rate for direct obligations of the United States ("Treasury obligations") having a "Constant Maturity" equal to the number

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of years in the Interest Period to which such Treasury Rate relates, in each case as of the most recent date for which such rate is available as published on the Interest Determination Date in H.15(519) under the heading “Selected Interest Rates” or, if not so published by 3:00 P.M., New York City time, on the Interest Determination Date, then the Treasury Rate will be calculated by the Calculation Agent and will be a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates as of approximately 3:30 P.M., New York City time, on such Interest Determination Date, of three leading primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury obligations with a remaining maturity closest to that of the related Interest Period; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate will be the Treasury Rate in effect on such Interest Determination Date. “Interest Period” means, in the case of the initial Interest Period, the period from the date of issuance of this Note to the date ten years thereafter, and in the case of any other Interest Period, the period from the last day of the immediately preceding Interest Period to the date which is the number (not greater than ten) of whole years thereafter selected by the Association in an irrevocable written notice provided to the Holder prior to the commencement of such Interest Period. In the event that the Association does not provide such notice in a timely manner, the related Interest Period shall be deemed to mean the period from the last day of the immediately preceding Interest Period to the date ten years thereafter or to the Maturity hereof, whichever occurs earlier.

All percentages resulting from any calculation on this Note will be rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655) and 9.876544% (or .09876544) being rounded to 9.87654% (or .0987654)), and all dollar amounts used in or resulting from such calculation on this Note will be rounded to the nearest cent (with one-half cent or more being rounded upwards).

Notwithstanding the foregoing, the interest rate hereon shall in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application. If an Interest Payment Date would otherwise be a day that is not a Business Day, such Interest Payment Date will be the next succeeding Business Day. “Business Day” means any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close.

Upon the request of the Holder, the Calculation Agent will provide the interest rate then in effect, and, if different, the interest rate which will become effective as a result of a determination made on the most recent Interest Determination Date with respect to this Note. The “Calculation Agent” means the agent appointed by the Holder to calculate interest rates under the circumstances specified above. The Calculation Agent will initially be [REDACTED].

“Covenants” means the representations made by the Association in the numbered clauses below to the initial Holder to induce such initial Holder to purchase this Note. “Covenant Default” means, as of any Measurement Date, any failure by the Association to satisfy any of the

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Covenants. The Association does hereby represent and covenant for the benefit of the Holder that, while this Note is outstanding:

(1) the principal business activity of the Association will be to make loans to member Community Development Financial Institutions (“CDFIs”) that, in turn, finance housing for low- and moderate-income persons and/or promote economic development by financing small business;

(2) on each Interest Payment Date, it will pay to the Holder interest on this Note at the Note Interest Rate;

(3) it will not, without the prior written consent of the Holder (which consent shall not be unreasonably withheld), make any changes to its underwriting procedures for extending loans to member CDFIs that would have the effect of materially increasing the risk of default in its portfolio of loans;

(4) it will maintain management and staff with the skills necessary, relative to the Association’s volume of activity, to manage its operations in a sound business manner;

(5) it will not at any time, without the prior written consent of the Holder (which consent shall not be unreasonably withheld), maintain loan loss reserves with respect to the loans made by it to CDFIs which in the aggregate are less than ■% of the aggregate principal amount of all loans outstanding to CDFIs;

(6) as of the last day of November in each year (the “Measurement Date”), it will maintain each of the following financial standards:

(a) Ratio of the Association’s Equity (as defined below) to Total Capital Under Management (as defined below) must be not less than ■%, based on the average of such ratios as determined on the last day of each calendar month during the preceding twelve month period;

(b) Ratio of Senior Debt (as defined below) to Equity shall be not less than ■:1, based on the average of such ratios as determined on the last day of each calendar month during the preceding twelve month period; and

(c) Ratio of outstanding loans and commitments to make loans (within ■ months from the date of such commitment) to member CDFIs (as of the Measurement Date, net of all reserves on such loans and commitments) as a percentage of the Association’s Total Capital Under Management (as defined below), based on the average of Total Capital Under Management as of the end of each of the preceding twelve calendar months, shall be not less than ■%, unless otherwise agreed in writing by the Holder;

(7) as of each Measurement Date, it will ensure that all Subordinated Debt (as defined below), including the Note, does not exceed ■% of its Equity, and that Subordinated Debt held by the Holder does not exceed ■% of its Equity;

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(8) it will cause its independent public accountants to prepare audited financial statements, with respect to each calendar year during which this Note is outstanding and with respect to the calendar year ended immediately prior to the year in which this Note is issued, within ■ days after the end of each such calendar year and deliver true copies of such statements to the Holder promptly upon preparation thereof;

(9) it will deliver to the Holder, within ■ days after the end of each calendar quarter, (i) unaudited quarterly financial statements of the Association for such quarter, and (ii) a report on the Association's lending to CDFIs, each of which shall be in reasonable detail and in the form in which such statements are furnished to the Association's Board of Directors;

(10) it will deliver to the Holder within ■ days after each Measurement Date a certificate signed by its Executive Director or Chief Financial Officer with respect to the financial Covenants described in clauses (6) and (7) above; and

(11) it will not consolidate with or merge into any other corporation, or convey or transfer its properties and assets substantially as an entirety to any person, unless (i) the corporation formed by such consolidation, or into which the Association is merged, or the person which acquires by conveyance or transfer the properties and assets of the Association substantially as an entirety, shall be a non-stock corporation organized and existing under the laws of any domestic jurisdiction and shall expressly assume all of the obligations of the Association in this Note, 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 occurred and be continuing. Upon any consolidation or merger by the Association with or into any corporation, or any conveyance or transfer by the Association of its properties and assets substantially as an entirety to any person in accordance with this clause (11), the successor corporation formed by such consolidation or into which the Association is merged or to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Association under this Note with the same effect as if such successor corporation had been named as the Association herein.

Definitions. As used in this Note:

- “Permanent Capital” means that portion of the Association's net worth that has been designated (either by the Association or by the provider of such funds to the Association) as available only for providing loans to CDFIs and is not available to pay the Association's operating expenses.
- “Subordinated Debt” means (i) any indebtedness payable to the Holder in respect of this Note and (ii) any other indebtedness which ranks *pari passu* with or subordinate to this Note. Subordinated Debt is subordinate in right of payment to Senior Debt.
- “Senior Debt” means any indebtedness, other than Subordinated Debt, which is payable to an entity not controlled by or under common control with the Association, the proceeds of which are available only for providing loans to CDFIs and are not available to pay the Association's operating expenses.

- “Equity” means the sum of Permanent Capital and Subordinated Debt.
- “Total Capital Under Management” means the sum of Equity and the portion of Senior Debt actually used by the Association to provide loans to CDFIs (net of all reserves on such loans).

Interest payments hereon shall be the amount of interest accrued to, but excluding, the Interest Payment Date. Accrued interest hereon for any full quarterly period shall be based on a 90-day quarter, notwithstanding the actual number of days elapsed in such quarter, and accrued interest hereon for any period other than a full quarterly period is calculated by multiplying the face amount hereof by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day from the Issue Date or from the last date to which interest has been paid or duly provided for, as the case may be, to the date for which accrued interest is being calculated. The interest factor for each such day is computed by dividing the interest rate applicable to such date by 360.

Payment of the principal of and interest on this Note will be made to the Holder, by wire transfer (or such other reasonable means as the Holder may request in writing), in currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

The Association may prepay this Note in whole or in part at any time without premium or penalty upon ten business days’ prior written notice to Holder. Any partial prepayment shall be applied first against any accrued but unpaid interest, and second to the outstanding and unpaid principal amount of this Note.

“Event of Default” means any of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law, or pursuant to any judgment, decree or order of any court or any order, rule or regulation or any administrative or governmental body):

(1) the entry of a decree or order by a court having jurisdiction in the premises adjudging the Association a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Association under the federal Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Association or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days;

(2) the institution by the Association of proceedings to be adjudicated a bankrupt or insolvent, or the consent by the Association to the institution of bankruptcy or insolvency proceedings against it, or the filing by the Association of a petition or answer or consent seeking reorganization or relief in respect of it or its property under the federal Bankruptcy Code or any other applicable federal or state law, or the consent by the Association to the filing of any such petition or to the appointment

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of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Association or of any substantial part of their respective properties, or the making by the Association of a general assignment for the benefit of creditors, or the admission by the Association in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Association in furtherance of any such action; or

(3) the breach, at any time, by the Association of clauses (1) or (11) of the Covenants.

If an Event of Default occurs and is continuing, then in every such case the Holder of this Note may declare the principal of this Note to be due and payable immediately, by a notice in writing to the Association at 924 Cherry Street, Philadelphia, Pennsylvania 19107-2411, Attention: Executive Director, and upon any such declaration of acceleration such principal shall become immediately due and payable.

Notwithstanding any provision herein to the contrary, the indebtedness evidenced by this Note, including all interest hereon, is subordinate and junior in right of payment to all obligations of the Association whether now outstanding or subsequently incurred, other than each obligation which, in the instrument creating or evidencing the same or pursuant to which the same is outstanding, provides that such obligation is not senior in right of payment to this Note. In addition to the foregoing, the Association shall not be required to make any payment of principal or interest with respect to this Note when such payment is due if the Association, within ten Business Days after such payment, would be unable to make a full payment of principal or interest which is then due with respect to any of its Senior Debt (other than a payment which is then due with respect to such Senior Debt as a result of the occurrence of a non-payment default thereunder); provided, however, that that Association's requirement to make such payment or payments to the Holder of this Note shall not be excused as a result of the foregoing but shall be required to be made on the first Business Day following the date on which such payment was due and on which such payment may be made as provided in this paragraph.

The Holder may assign or negotiate this Note in minimum units of \$[REDACTED] principal amount in accordance with applicable law. The Association will maintain a registry of holders of this Note. The Association and any agent of the Association will be entitled to treat the registered Holder of this Note as the owner for all purposes, notwithstanding any notice to the contrary.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

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IN WITNESS WHEREOF, the Association has caused this instrument to be duly executed under its corporate seal.

Dated: February 28, 1997

NATIONAL COMMUNITY CAPITAL
ASSOCIATION

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

\$_____ * principal amount of the within Note and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney to transfer said security on the books of the Association, with full power of substitution in the premises.

Dated: _____

In presence of:

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatever. Transfers of this Note may be made only in integral multiples of \$ [REDACTED] principal amount.

* Not less than \$ [REDACTED].