

---

---

**DORMITORY AUTHORITY OF  
THE STATE OF NEW YORK**

**CATHOLIC HEALTH SYSTEM OBLIGATED GROUP  
REVENUE BOND RESOLUTION**

**ADOPTED MARCH 6, 2019**

**A RESOLUTION AUTHORIZING THE ISSUANCE BY THE DORMITORY AUTHORITY  
OF SERIES OF REVENUE BONDS FOR CATHOLIC HEALTH SYSTEM OBLIGATED  
GROUP MEMBERS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND  
INTEREST ON SUCH BONDS; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS  
THEREOF.**

---

---

## TABLE OF CONTENTS

	Page No.	
<b>ARTICLE I</b>		
<b>DEFINITIONS; CONTRACT AND AUTHORITY</b>		
Section 1.01	Definitions and Interpretation .....	1
Section 1.02	Authority for the Resolution .....	13
Section 1.03	Resolution, the Series Resolutions and the Bonds Constitute Separate Contracts.....	13
Section 1.04	Option of Authority to Assign Certain Rights and Remedies to the Trustee.....	14
<b>ARTICLE II</b>		
<b>AUTHORIZATION AND ISSUANCE OF A SERIES OF BONDS</b>		
Section 2.01	Authorization of Bonds.....	15
Section 2.02	Provisions for Issuance of a Series of Bonds.....	15
Section 2.03	Series Resolutions .....	16
Section 2.04	Refunding Bonds .....	18
Section 2.05	Additional Obligations.....	19
<b>ARTICLE III</b>		
<b>GENERAL TERMS AND PROVISIONS OF BONDS</b>		
Section 3.01	Place and Medium of Payment .....	19
Section 3.02	Legends; CUSIP Numbers .....	20
Section 3.03	Execution and Authentication.....	20
Section 3.04	Negotiability, Transfer and Registry.....	21
Section 3.05	Transfer of Bonds .....	21
Section 3.06	Regulations with Respect to Exchanges and Transfers .....	21
Section 3.07	Bonds Mutilated, Destroyed, Lost or Stolen.....	22
Section 3.08	Preparation of Definitive Bonds; Temporary Bonds .....	22
Section 3.09	Book Entry Bonds.....	23
<b>ARTICLE IV</b>		
<b>REDEMPTION OF BONDS</b>		
Section 4.01	Authorization of Redemption or Purchase of an Applicable Series .....	24
Section 4.02	Redemption at the Election of the Authority .....	24
Section 4.03	Redemption other than at Authority's Election .....	24
Section 4.04	Selection of Bonds to Be Redeemed.....	25
Section 4.05	Notice of Redemption.....	25
Section 4.06	Payment of Redeemed Bonds .....	26
Section 4.07	Purchase in Lieu of Redemption.....	26
<b>ARTICLE V</b>		
<b>PLEDGE OF REVENUES; FUNDS;REVENUES AND APPLICATION THEREOF</b>		
Section 5.01	Pledge of Revenues.....	27
Section 5.02	Establishment of Funds.....	27
Section 5.03	Application of Bond Proceeds and Allocation Thereof.....	28

Section 5.04	Application of Moneys in the Construction Fund.....	28
Section 5.05	Enforcement of Obligations, Deposit of Revenues and Allocation Thereof .....	29
Section 5.06	Debt Service Fund .....	31
Section 5.07	Debt Service Reserve Fund.....	32
Section 5.08	Arbitrage Rebate Fund.....	34
Section 5.09	Application of Moneys in Certain Funds for Retirement of Bonds .....	35
Section 5.10	Transfer of Investments .....	35
Section 5.11	Computation of Assets of Certain Funds.....	35

## ARTICLE VI

### SECURITY FOR DEPOSITS AND INVESTMENTS OF FUNDS

Section 6.01	Security for Deposits .....	36
Section 6.02	Investment of Funds Held by the Trustee .....	36
Section 6.03	Liability for Investments.....	37

## ARTICLE VII

### PARTICULAR COVENANTS

Section 7.01	Payment of Principal and Interest.....	37
Section 7.02	Extension of Payment of Bonds.....	37
Section 7.03	Powers as to Bonds of an Applicable Series and Pledge .....	38
Section 7.04	Further Assurance .....	38
Section 7.05	Accounts and Audits .....	38
Section 7.06	Enforcement of Duties and Obligations of the Institution .....	39
Section 7.07	Deposit of Certain Moneys in the Construction Fund .....	39
Section 7.08	Offices for Payment and Registration of Bonds .....	39
Section 7.09	Amendment of Loan Agreements .....	39
Section 7.10	Notice as to Event of Default Under Loan Agreement.....	40
Section 7.11	Tax Exemption: Rebates.....	40
Section 7.12	General.....	41

## ARTICLE VIII

### CONCERNING THE TRUSTEE

Section 8.01	Appointment and Acceptance of Trustee.....	41
Section 8.02	Appointment and Acceptance of Paying Agents .....	41
Section 8.03	Responsibilities of Trustee and Paying Agents .....	41
Section 8.04	Property Held in Trust .....	42
Section 8.05	Evidence on Which Fiduciaries May Act .....	42
Section 8.06	Compensation .....	43
Section 8.07	Permitted Acts.....	44
Section 8.08	Resignation of Trustee .....	44
Section 8.09	Removal of Trustee.....	44
Section 8.10	Successor Trustee .....	44
Section 8.11	Transfer of Rights and Property to Successor Trustee.....	45
Section 8.12	Merger or Consolidation of the Trustee.....	45
Section 8.13	Resignation or Removal of the Paying Agents and Appointment of Successors.....	45
Section 8.14	Amortization Schedule .....	46

## ARTICLE IX

### SERIES RESOLUTIONS AND SUPPLEMENTAL RESOLUTIONS

Section 9.01	Adoption and Filing .....	46
Section 9.02	Modification and Amendment Without Consent .....	46
Section 9.03	Applicable Supplemental Resolutions Effective With Consent of Bondholders .....	47
Section 9.04	General Provisions Relating to Applicable Series Resolutions and Supplemental Resolutions.....	47

## ARTICLE X

### AMENDMENTS OF RESOLUTION

Section 10.01	Powers of Amendment.....	48
Section 10.02	Consent of Bondholders.....	48
Section 10.03	Modifications by Unanimous Consent.....	49
Section 10.04	Mailing.....	50
Section 10.05	Exclusion of Bonds .....	50
Section 10.06	Notation on Bonds .....	50
Section 10.07	Credit Facility Issuer as Holder .....	50

## ARTICLE XI

### DEFAULTS AND REMEDIES

Section 11.01	Trustee to Exercise Powers of Statutory Trustee .....	50
Section 11.02	Events of Default .....	50
Section 11.03	Acceleration of Maturity.....	51
Section 11.04	Enforcement of Remedies.....	52
Section 11.05	Priority of Payments After Default .....	53
Section 11.06	Termination of Proceedings .....	54
Section 11.07	Bondholders' Direction of Proceedings .....	54
Section 11.08	Limitation of Rights of Individual Bondholders.....	54
Section 11.09	Actions by Trustee; Possession of Bonds by Trustee Not Required.....	55
Section 11.10	Remedies Not Exclusive.....	55
Section 11.11	Waiver and Non-Waiver of Default.....	55
Section 11.12	Notice of Event of Default .....	55
Section 11.13	Credit Facilities.....	56
Section 11.14	Termination of Credit Facility Issuer's Rights .....	56
Section 11.15	Credit Facility Issuer as Holder .....	56

## ARTICLE XII

### DEFEASANCE

Section 12.01	Defeasance .....	56
---------------	------------------	----

## ARTICLE XIII

### EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

Section 13.01	Evidence of Signatures of Bondholders and Ownership of Bonds .....	59
---------------	--	----

## ARTICLE XIV

### MISCELLANEOUS

Section 14.01	Preservation and Inspection of Documents.....	60
Section 14.02	Moneys and Funds Held for Particular Bonds.....	60
Section 14.03	Cancellation of Bonds.....	60
Section 14.04	No Recourse under Resolution or on the Bonds .....	60
Section 14.05	Severability of Invalid Provision .....	60
Section 14.06	Parties in Interest .....	60
Section 14.07	Actions by the Authority.....	61
Section 14.08	Authority to act as Holder of Obligations.....	61
Section 14.09	Notices .....	61
Section 14.10	Other Resolutions .....	61
Section 14.11	Survival of Particular Covenants .....	61
Section 14.12	Termination of Facility Provider's Rights .....	61
Section 14.13	Headings .....	62
Section 14.14	Governing Laws.....	62
Section 14.15	Authority to Deliver this Resolution.....	62
Section 14.16	Effective Date .....	62

CATHOLIC HEALTH SYSTEM OBLIGATED GROUP  
REVENUE BOND RESOLUTION, ADOPTED MARCH 6, 2019

A RESOLUTION AUTHORIZING THE ISSUANCE BY THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK OF SERIES OF REVENUE BONDS FOR CATHOLIC HEALTH SYSTEM OBLIGATED GROUP MEMBERS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF.

ARTICLE I

DEFINITIONS; CONTRACT AND AUTHORITY

Section 1.01 Definitions and Interpretation. As used in this Resolution, unless a different meaning clearly appears from the context:

**“Act”** means the Dormitory Authority Act (being Chapter 524 of the Laws of 1944 of the State, and constituting Title 4 of Article 8 of the Public Authorities Law), as the same may be amended from time to time, including, but not limited to, the Health Care Financing Consolidation Act and as incorporated thereby the New York State Medical Care Facilities Finance Agency Act being Chapter 392 of Laws of New York 1973, as amended;

**“Annual Administrative Fee”** means the annual fee for the general administrative expenses of the Authority in the amount or percentage stated in the Loan Agreement;

**“Applicable”** means (i) with respect to any Construction Fund, Arbitrage Rebate Fund, Debt Service Fund, Debt Service Reserve Fund or any other fund, the fund so designated and established by a Series Resolution authorizing a Series of Bonds relating to a particular Project(s), (ii) with respect to any Debt Service Reserve Fund Requirement, the said Requirement established in connection with a Series of Bonds by the related Series Resolution or Bond Series Certificate, (iii) with respect to any Series Resolution, the Series Resolution relating to a particular Series of Bonds, (iv) with respect to any Series of Bonds, the Series of Bonds issued under a Series Resolution for particular Projects, (v) with respect to any Loan Agreement, the Loan Agreement by and between the Authority and any one or more Institutions and the contractual obligations contained therein relating to particular Projects for each such Institution, (vi) with respect to any Institution, the Institution identified in the related Series Resolution, (vii) with respect to a Bond Series Certificate, such certificate authorized pursuant to a related Series Resolution (viii) with respect to any Credit Facility, if any, or Credit Facility Issuer, if any, the Credit Facility or Credit Facility Issuer relating to a particular Series of Bonds and (ix) with respect to a Supplemental Indenture and an Obligation authorized to be issued thereunder, the Supplemental Indenture entered into pursuant to an Obligation issued under the Master Indenture for the purpose of securing a Series of Bonds;

**“Arbitrage Rebate Fund”** means each fund so designated and established by the Applicable Series Resolution pursuant to Section 5.02 hereof with respect to a Series of Tax-Exempt Bonds;

**“Authority”** means the Dormitory Authority of the State of New York, a body corporate and politic constituting a public benefit corporation of the State created by the Act, or any body, agency or instrumentality of the State which shall hereafter succeed to the rights, powers, duties and functions of the Authority;

**“Authority Fee”** means a fee payable to the Authority equal to the payment to be made upon the issuance of a Series of Bonds in an amount set forth in the Applicable Loan Agreement, unless otherwise provided in the Applicable Series Resolution;

**“Authorized Newspaper”** means The Bond Buyer or any other newspaper of general circulation printed in the English language and customarily published at least once a day for at least five days (other than legal holidays) in each calendar week in the Borough of Manhattan, City and State of New York, designated by the Authority;

**“Authorized Officer”** means (i) in the case of the Authority, the Chair, the Vice-Chair, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the Managing Director of Public Finance and Portfolio Monitoring, the Managing Director of Construction, the General Counsel and any other person authorized by a resolution or the by-laws of the Authority, from time to time, to perform any specific act or execute any specific document; (ii) in the case of an Institution, the person or persons authorized by a resolution or the by-laws of such Institution to perform any act or execute any document; and (iii) in the case of the Trustee, the President, a Vice President, an Assistant Vice President, a Corporate Trust Officer, a Trust Officer or an Assistant Trust Officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of such Trustee or the by-laws of such Trustee; and (iv) in the case of a Credit Facility Issuer, a Vice President, a Senior Vice President, an Administrative Vice President, an Executive Vice President and the President of such Credit Facility Issuer, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of such Credit Facility Issuer or the by-laws of such Credit Facility Issuer;

**“Available Moneys”** means in connection with any Series of Bonds, the definition set forth in the Applicable Series Resolution or Bond Series Certificate;

**“Bank Bonds”** means with respect to any Bonds secured by a Credit Facility, the definition set forth in the Applicable Series Resolution or Bond Series Certificate;

**“Bond”** or **“Bonds”** means any of the bonds of the Authority authorized pursuant hereto and issued on behalf of the Institution pursuant to an Applicable Series Resolution;

**“Bond Counsel”** means an attorney or a law firm, appointed by the Authority with respect to a particular Series of Bonds, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds;

**“Bond Series Certificate”** means a certificate of the Authority fixing terms, conditions and other details of Bonds of an Applicable Series in accordance with the delegation of power to do so under an Applicable Series Resolution as it may be amended from time to time;

**“Bond Year”** means, unless otherwise stated in the Applicable Series Resolution or Applicable Bond Series Certificate, a period of twelve (12) consecutive months beginning July 1 in any calendar year and ending on June 30 of the succeeding calendar year;

**“Bondholder”, “Holder of Bonds”, “Holder”, “owner”** or any similar term, when used with reference to a Bond or Bonds of a Series, means the registered owner of any Bonds of such Series, except as provided in Section 10.07 hereof;

**“Business Day”** means a day other than (a) a Saturday and Sunday or (b) a day on which any of the following are authorized or required to remain closed: (i) banks or trust companies chartered by the State of New York or the United States of America, (ii) the Trustee, or (iii) the New York Stock Exchange;

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder;

**“Construction Fund”** means each such fund so designated and established by the Applicable Series Resolution pursuant to Section 5.02 hereof;

**“Cost of Issuance”** means the items of expense incurred in connection with the authorization, sale, issuance and delivery of a Series of Bonds, which items of expense shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee and any Credit Facility Issuer and Remarketing Agent, legal fees and charges, professional consultants’ fees, fees and charges for execution, transportation and safekeeping of such Bonds, premiums, costs and expenses of refunding such Bonds, commitment fees or similar costs in connection with obtaining any Credit Facility and any Liquidity Facility, Reserve Fund Facility, or a Hedge Agreement, costs and expenses of refunding of other bonds or notes of the Authority with proceeds of such Series including termination fees for any Hedge Agreement in connection with such refunding such Bonds and other costs, charges and fees, including those of the Authority, incurred in connection with the foregoing;

**“Cost of the Project(s)”** means, with respect to a Project(s), the costs and expenses or the refinancing of costs and expenses determined by the Authority to be necessary in connection with such Project(s), including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) costs and expenses incurred for labor and materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of the Project(s), (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of the Project(s), which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, environmental inspections and assessments, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction of the Project(s), (v) costs and expenses required for the acquisition and installation of equipment or machinery, (vi) all other costs which the Institution shall be required to pay or cause to be paid for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of the Project(s), (vii) any sums required to reimburse the Institution, or the Authority for advances made by them for any of the above items or for other costs incurred and for work done by them in connection with the Project(s) (including interest on moneys borrowed from parties other than the Institution), (viii) interest on the Bonds prior to, during and for a reasonable period after completion of the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of the Project(s), and (ix) fees, expenses and liabilities of the Authority incurred in connection with such Project(s) or pursuant hereto or to the Loan Agreement, or a Remarketing Agreement in connection with Option Bonds or Variable Interest Rate Bonds, or a Reserve Fund Facility relating to such Project(s);

**“Counterparty”** means any person with which the Authority or an Institution has entered into a Hedge Agreement, provided that, at the time the Hedge Agreement is executed, the senior or uncollateralized long-term debt obligations of such person, or of any person that has guaranteed for the term of the Hedge Agreement the obligations of such person thereunder, are rated, without regard to

qualification of such rating by symbols such as “+” or “-” and numerical notation, not lower than in the third highest rating category by each Rating Service;

**“Credit Facility”** means (i) any municipal bond insurance policy satisfactory to the Authority which insures payment of principal, interest and, if agreed to by the Credit Facility Issuer and the Institution, redemption premium on the Bonds of any Series when due and issued and delivered to the Trustee, (ii) a letter of credit issued by a Credit Facility Issuer with respect to any Series of Bonds or one or more Series of Bonds on the date of issuance of such Series of Bonds or (iii) similar insurance or credit enhancement or guarantee facility if so designated, all in accordance with the Applicable Series Resolution;

**“Credit Facility Default”** means with respect to a Credit Facility Issuer any of the following: (a) there shall occur a default in the payment of principal of or any interest on any Bond or Purchase Price thereof by the Credit Facility Issuer when required to be made under the terms of the Credit Facility, (b) a Credit Facility shall have been declared null and void or unenforceable in a final determination by a court of law of competent jurisdiction or (c) such Credit Facility Issuer shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of such Credit Facility Issuer or for any substantial part of its property, or shall make a general assignment for the benefit of creditors;

**“Credit Facility Issuer”** means, with respect to any Series of Bonds for which a Credit Facility is held by the Trustee, the bank, trust company, a national banking association, firm, association or corporation, including public bodies and governmental agencies, acceptable to the Authority, which has issued such Credit Facility in connection with such Series of Bonds, and any successors or assigns of the obligations of such bank, trust company, a national banking association, firm, association or corporation under such Credit Facility;

**“Credit Facility Repayment Fund”** means each fund so designated, created and established by the Applicable Series Resolution pursuant to Section 5.02 hereof;

**“Debt Service Fund”** means each such fund so designated and established by the Applicable Series Resolution pursuant to Section 5.06 hereof;

**“Debt Service Reserve Fund”** means each fund so designated, created and established pursuant to Section 5.07 hereof and by the Applicable Series Resolution or by the Applicable Bond Series Certificate;

**“Debt Service Reserve Fund Requirement”** means the amount of moneys, if any, required to be on deposit in the Debt Service Reserve Fund, if any, with respect to an Applicable Series of Bonds as determined in accordance with the Applicable Series Resolution or Bond Series Certificate;

**“Defeasance Security”** means, unless otherwise provided in an Applicable Series Resolution, any of the following: (a) a Government Obligation of the type described in clauses (i), (ii), (iii) or (iv) of the definition of Government Obligations (other than an obligation subject to variation in principal repayment); Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations; and an Exempt Obligation, provided such Exempt Obligation (i) is not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such Exempt Obligation by the obligor thereof to give due notice of redemption and to call such Exempt Obligation for redemption on the date or dates specified in

such instructions and such Exempt Obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof, (ii) is secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or Government Obligations, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Exempt Obligation on the interest payment dates and the maturity date thereof or the redemption date specified in the irrevocable instructions referred to in clause (i) above, (iii) as to which the principal of and interest on the Government Obligations which have been deposited in such fund, along with any cash on deposit in such fund, are sufficient to pay the principal of and interest and redemption premium, if any, on such Exempt Obligation on the interest payment dates and the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (i) above, and (iv) is rated by at least two Rating Services in the highest rating category for such Exempt Obligation (without regard to qualification of such rating by symbols such as “+” or “-” and numerical notations); **provided, however**, that (1) with respect to the above, such term shall not include any interest in a unit investment trust or mutual fund or (2) any obligation that is subject to redemption prior to maturity other than at the option of the holder thereof.

**“Department of Health”** means the Department of Health of the State of New York;

**“Depository”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person, firm, association or corporation designated in the Applicable Series Resolution authorizing a Series of Bonds or a Bond Series Certificate relating to a Series of Bonds to serve as securities depository for the Bonds of such Series;

**“Excess Earnings”** means, with respect to the Applicable Series of Bonds, the amount equal to the rebatable arbitrage and any income attributable to the rebatable arbitrage as required by the Code;

**“Exempt Obligation”** means any of the following: (i) an obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision, the interest on which is excludable from gross income under Section 103 of the Code, which is not a “specified private activity bond” within the meaning of Section 57(a)(5) of the Code and which, at the time an investment therein is made or such obligation is deposited in any fund or account hereunder, is rated, without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation, no lower than the second highest rating category for such obligation by at least two Rating Services; (ii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing; and (iii) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

**“Facility Provider”** means the issuer of a Reserve Fund Facility delivered to the Trustee pursuant to Section 5.07 hereof;

**“Federal Agency Obligation”** means any of the following: (i) an obligation issued by any federal agency or instrumentality approved by the Authority; (ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by a federal agency approved by the Authority; (iii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing; and (iv) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations;

**“Fitch”** means Fitch Ratings, Inc., a corporation organized and existing under the State of New York, and its successors and assigns;

**“Government Obligation”** means any of the following: (i) a direct obligation of the United States of America; (ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment of principal and interest by the United States of America; (iii) an obligation to which the full faith and credit of the United States of America are pledged; (iv) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing; and (v) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations;

**“Gross Proceeds”** means, with respect to any Applicable Series of Tax-Exempt Bonds, unless inconsistent with the provisions of the Code, (i) amounts received by the Authority from the sale of such Series of Bonds, (ii) amounts treated as transferred proceeds of such Series of Bonds in accordance with the Code, (iii) amounts treated as proceeds under the provisions of the Code relating to invested sinking funds, including any necessary allocation between two or more Series of Bonds in the manner required by the Code, (iv) amounts in the Debt Service Reserve Fund, (v) securities or obligations pledged by the Authority or the Institution as security for payment of debt service on such Bonds, (vi) amounts received with respect to obligations acquired with Gross Proceeds, (vii) amounts used to pay debt service on such Series of Bonds, and (viii) amounts received as a result of the investment of Gross Proceeds;

**“Gross Receipts”** shall have the meaning accorded such term in the Master Indenture, as amended from time to time;

**“Hedge Agreement”** means (i) an agreement entered into by the Authority or the Institution in connection with the issuance of or which relates to all or a portion of Bonds of a Series which provides that during the term of such agreement the Authority or the Institution is to pay to the Counterparty an amount based on the interest accruing at a fixed or variable rate per annum on an amount equal to a principal amount of such Bonds, or the applicable portion thereof, and that the Counterparty is to pay to the Authority or the Institution an amount based on the interest accruing on a principal amount equal to the same principal amount of such Bonds at a fixed or variable rate per annum, in each case computed according to a formula set forth in such agreement, or that one shall pay to the other any net amount due under such agreement or (ii) interest rate cap agreements, interest rate floor agreements, interest rate collar agreements and any other interest rate related agreements or arrangements; provided, however, that no such agreement entered into by the Institution shall constitute a Hedge Agreement for purposes hereof unless a copy thereof has been delivered to the Authority;

**“Institution”** means Catholic Health System, Inc. or other entity or person that is a Member of the Obligated Group and for whose benefit the Authority has, as authorized under the Public Health Law or any other law or regulation, issued such Series of Bonds or any portion thereof;

**“Insurance Trustee”** means the person, if any, designated in the municipal bond insurance policy issued by a Credit Facility Issuer in connection with a Series of Outstanding Bonds with whom funds are to be deposited by such Credit Facility Issuer to make payment pursuant to such policy on account of the principal and Sinking Fund Installments of and interest on the Bonds of such Series;

**“Investment Agreement”** means an agreement for the investment of moneys with a Qualified Financial Institution;

**“Liquidity Facility”** means an irrevocable letter of credit, surety bond, loan agreement, standby purchase agreement, line of credit or other agreement or arrangement issued or extended by a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a savings bank, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings and loan association, an insurance company or association chartered or organized under the laws of any state of the United States of America, the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority, pursuant to which money is to be obtained upon the terms and conditions contained therein for the purchase or redemption of Option Bonds tendered for purchase or redemption in accordance with the terms hereof and of the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate relating to such Bonds;

**“Loan Agreement”** means the Loan Agreement, executed by the Authority and any Applicable Institution, or other agreement, by and between the Authority and an Applicable Institution, as the same may from time to time be amended, supplemented or otherwise modified as permitted hereby and by such Loan Agreement;

**“Master Indenture”** means the Master Trust Indenture by and among the members of the Obligated Group and the Master Trustee as may be amended and supplemented from time to time;

**“Master Trustee”** means The Bank of New York Mellon, New York, New York, and any successor under the Master Indenture;

**“Maximum Interest Rate”** means, with respect to any Applicable Series of Variable Interest Rate Bonds, the rate of interest, if any, set forth in the Applicable Series Resolution authorizing such Series of Bonds or Applicable Bond Series Certificate relating thereto as the maximum rate of interest Bonds of such Series may bear at any time;

**“Minimum Interest Rate”** means, with respect to any Applicable Series of Variable Interest Rate Bonds, the rate of interest, if any, set forth in the Applicable Series Resolution authorizing such Series of Bonds or Applicable Bond Series Certificate relating thereto as the minimum rate of interest Bonds of such Series may bear at any time;

**“Moody’s”** means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns;

**“Obligation”** means an “Obligation” as defined in and as issued pursuant to the Master Indenture and a Supplemental Indenture to secure indebtedness of a Member of the Obligated Group;

**“Obligated Group”** means Catholic Health System, Inc., Mercy Hospital of Buffalo, Sisters of Charity Hospital of Buffalo, New York and Kenmore Mercy Hospital, Mount St. Mary’s Hospital of Niagara Falls, McAuley Seton Home Care Corporation and Niagara Homemakers Services, Inc. (or as otherwise set forth in the Master Indenture) and such other organizations as may from time to time be added as members of such Obligated Group, and excluding such organizations as may from time to time withdraw as members of such Obligated Group, all as provided in the Master Indenture, pursuant to which such Obligated Group was created;

**“Option Bond”** means any Bond which by its terms may be or is required to be tendered by the Holder thereof for redemption by the Authority prior to the stated maturity thereof or for purchase thereof, or the maturity of which may be extended by and at the option of the Holder thereof in accordance with the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate related to such Bonds;

**“Outstanding”** when used in reference to Bonds of any Applicable Series means, as of a particular date, all Bonds of such Series, including Bank Bonds, authenticated and delivered hereunder and under the Applicable Series Resolution except: (i) any such Bond cancelled by the Trustee at or before such date; (ii) any such Bond deemed to have been paid in accordance with Section 12.01 hereof; (iii) any such Bond in lieu of or in substitution for which another such Bond shall have been authenticated and delivered pursuant to Article III, Section 4.06 or Section 10.06 hereof and (iv) Option Bonds tendered or deemed tendered in accordance with the provisions of the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate relating to such Bonds on the applicable adjustment or conversion date, if interest thereon shall have been paid through such applicable date and the Purchase Price thereof shall have been paid or amounts are available for such payment as provided herein and in the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate relating to such Bonds. Bank Bonds will be deemed to be Outstanding and pledged to the Applicable Credit Facility Issuer, and the purchase thereof with the proceeds of a drawing on the Credit Facility shall not result in an extinguishment of the debt replenished by such Bonds;

**“Paying Agent”** means, with respect to any Applicable Series of Bonds, the Trustee and any other bank or trust company and its successor or successors, appointed pursuant to the provisions hereof or of an Applicable Series Resolution, an Applicable Bond Series Certificate or any other resolution of the Authority adopted prior to authentication and delivery of such Series of Bonds for which such Paying Agent or Paying Agents shall be so appointed;

**“Permitted Collateral”** means any of the following: (i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligations; (ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations; (iii) commercial paper that (a) matures within two hundred seventy (270) days after its date of issuance, (b) is rated in the highest short term rating category by at least one Rating Service and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least one Rating Service no lower than in the second highest rating category; (iv) financial guaranty agreements, surety or other similar bonds or other instruments of an insurance company that has an equity capital of at least \$125,000,000 and is rated by Bests Insurance Guide or a Rating Service in the highest rating category; (v) bankers’ acceptances issued by a bank rated in the highest short term rating category by at least one nationally recognized rating organization and having maturities of not longer than three hundred sixty-five (365) days from the date they are pledged; and (vi) taxable bonds, all or a portion of the interest on which is paid by or subsidized by the United States of America and to which the full faith and credit of the United States of America is pledged, including, but not limited to, Build America Bonds that are Qualified Bonds (as such terms are defined in Section 54AA of the Code);

**“Permitted Investments”** means any of the following: (i) Government Obligations; (ii) Federal Agency Obligations; (iii) Exempt Obligations; (iv) uncollateralized certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation and issued by a banking organization authorized to do business in the State; (v) collateralized certificates of deposit that are (a) issued by a banking organization authorized to do business in the State that has an equity capital of not less than \$125,000,000, whose unsecured senior debt, or debt obligations fully secured by a letter or credit, contract, agreement or surety bond issued by it, are rated by at least one Rating Service in at least the second highest rating category, and (b) are fully collateralized by Permitted Collateral; (vi) commercial

paper issued by a domestic corporation rated in the highest short term rating category by at least one Rating Service and having maturities of not longer than two hundred seventy (270) days from the date of purchase; (vii) bankers' acceptances issued by a bank rated in the highest short term rating category by at least one Rating Service and having maturities of not longer than three hundred sixty-five (365) days from the date they are purchased; (viii) Investment Agreements that are fully collateralized by Permitted Collateral; (ix) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, whose objective is to maintain a constant share value of \$1.00 per share and that is rated in the highest short term rating category by at least one Rating Service; (x) taxable bonds, all or a portion of the interest on which is paid by or subsidized by the United States of America and to which the full faith and credit of the United States of America is pledged, including, but not limited to, Build America Bonds.

**"Project"** means, any eligible hospital project, nursing home project or other project qualified under the Act or otherwise eligible to be financed by the Authority through the issuance of obligations under the laws of the State of New York, as defined in the Applicable Loan Agreement;

**"Provider Payments"** means any payments made by a Facility Provider pursuant to its Reserve Fund Facility on deposit in the Applicable Debt Service Reserve Fund;

**"Purchase Price"** means, except as otherwise set forth in an Applicable Bond Series Certificate, 100% of the principal amount of any Option Bond tendered or deemed tendered for purchase to the tender agent for such Bonds, plus accrued and unpaid interest thereon to the date of purchase; provided, however, that if the date of purchase is an Interest Payment Date, then the Purchase Price shall not include accrued and unpaid interest, which shall be paid to the Holder of record on the applicable Record Date;

**"Qualified Financial Institution"** means any of the following entities that has an equity capital of at least \$125,000,000 or whose obligations are unconditionally guaranteed by an affiliate or parent having an equity capital of at least \$125,000,000:

(i) a securities dealer, the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation, and (a) that is on the Federal Reserve Bank of New York list of primary government securities dealers and (b) whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; provided, however, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility, Liquidity Facility or financial guaranty agreement in connection with Outstanding Bonds of a Series;

(ii) a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, an insurance company or association chartered or organized under the laws of the United States of America, any state of the United States of America or any foreign nation, whose senior unsecured long term debt is at the time an investment with it is made is rated by at

least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; provided, however, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility, Liquidity Facility or financial guaranty agreement in connection with Outstanding Bonds of a Series;

(iii) a corporation affiliated with or which is a subsidiary of any entity described in (i) or (ii) above or which is affiliated with or a subsidiary of a corporation which controls or wholly owns any such entity, whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; provided, however, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility, Liquidity Facility or financial guaranty agreement in connection with Outstanding Bonds of a Series;

(iv) the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority; or

(v) a corporation whose obligations, including any investments of any money held hereunder purchased from such corporation, are insured by an insurer that meets the applicable rating requirements set forth above.

**“Rating Service(s)”** means S&P, Moody’s, Fitch or any other nationally recognized statistical rating organization which shall have assigned a rating on any Bonds Outstanding as requested by or on behalf of the Authority, and which rating is then currently in effect;

**“Record Date”** means, unless the Applicable Series Resolution authorizing an Applicable Series of Bonds or an Applicable Bond Series Certificate relating thereto provides otherwise with respect to Bonds of such Series, the fifteenth (15th) day (whether or not a business day) of the month preceding each interest payment date;

**“Redemption Price”** when used with respect to a Bond of an Applicable Series, means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption thereof pursuant hereto or to the Applicable Series Resolution or Applicable Bond Series Certificate;

**“Refunding Bonds”** means all Bonds, whether issued in one or more Applicable Series of Bonds, authenticated and delivered pursuant to Article III, Section 4.06 or Section 10.06 hereof, and originally issued pursuant to Section 2.04 hereof, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds;

**“Remarketing Agent”** means the person or entity, appointed by or pursuant to the Applicable Series Resolution authorizing the issuance of a particular Series of Variable Interest Rate Bonds, to remarket such Variable Interest Rate Bonds tendered or deemed to have been tendered for purchase in accordance with such Applicable Series Resolution or the Applicable Bond Series Certificate relating to such Variable Interest Rate Bonds;

**“Remarketing Agreement”** means, with respect to a particular Series of Variable Interest Rate Bonds, an agreement between the Authority and the Remarketing Agent, between the Institution and the Remarketing Agent, or among the Authority, the Institution and the Remarketing Agent, relating to the remarketing of such Variable Interest Rate Bonds;

**“Reserve Fund Facility”** means a surety bond, insurance policy or letter of credit authorized by or pursuant to a Series Resolution establishing a Debt Service Reserve Fund which constitutes any part of the Debt Service Reserve Fund authorized to be delivered to the Trustee pursuant to Section 5.07 hereof;

**“Resolution”** means this Catholic Health System Obligated Group Revenue Bond Resolution, adopted March 6, 2019, as the same may be from time to time amended or supplemented by Supplemental Resolutions in accordance with the terms and provisions hereof;

**“Revenues”** means all payments payable by the Applicable Institution to the Authority pursuant to an Applicable Loan Agreement, and payments made under the Master Indenture or payable by the Obligated Group to the Authority pursuant to an Applicable Obligation and all amounts realized upon liquidation of collateral securing the Applicable Obligation, which payments and amounts are to be paid to the Trustee (except payments to the Trustee for the administrative costs and expenses or fees of the Trustee and payments to the Trustee for deposit to the Applicable Arbitrage Rebate Fund and Applicable Credit Facility Repayment Fund and except as otherwise provided in an Applicable Series Resolution or Applicable Bond Series Certificate relating to a Series of Bonds);

**“S&P”** means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, and its successors and assigns;

**“Securities”** means (i) moneys, (ii) Government Obligations, (iii) Exempt Obligations, (iv) any bond, debenture, note, preferred stock or other similar obligation of any corporation incorporated in the United States, which security, at the time an investment therein is made or such security is deposited in any fund or account hereunder, is rated, without regard to qualification of such rating by symbols such as “+” or “ ” or numerical notation, “Aa” or better by Moody’s or “AA” or better by S&P or is rated with a comparable rating by any other nationally recognized rating service acceptable to an Authorized Officer of the Authority and (v) with the consent of the Credit Facility Issuers, if any, common stock of any corporation incorporated in the United States of America whose senior debt, if any, at the time an investment in its stock is made or its stock is deposited in any fund or account established hereunder, is rated, without regard to qualification of such rating by symbols such as “+” or “ ” or numerical notation, “Aa” or better by Moody’s or “AA” or better by S&P or is rated with a comparable rating by any other nationally recognized rating service acceptable to an Authorized Officer of the Authority and the Credit Facility Issuers, if any;

**“Serial Bonds”** means the Bonds so designated in an Applicable Series Resolution or an Applicable Bond Series Certificate;

**“Series”** means all of the Bonds authenticated and delivered on original issuance and pursuant hereto and the Applicable Series Resolution, and any Bonds of such Series thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III, Section 4.06 or Section 10.06 hereof, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions;

**“Series Resolution”** means a resolution of the members of the Authority authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to Article II hereof;

**“Sinking Fund Installment”** means, (i) with respect to any Series of Bonds, as of any date of calculation and with respect to any Bonds of such Series other than Option Bonds or Variable Interest Rate Bonds, so long as any such Bonds thereof are Outstanding, the amount of money required by the Applicable Series Resolution pursuant to which such Bonds were issued or by the Applicable Bond Series Certificate, to be paid on a single future sinking fund payment date for the retirement of any Outstanding Bonds of said Series which mature after said future sinking fund payment date, but does not include any amount payable by the Authority by reason only of the maturity of such Bond, and said future sinking fund payment date is deemed to be the date when such Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be Bonds entitled to such Sinking Fund Installment and (ii) when used with respect to Option Bonds or Variable Interest Rate Bonds of a Series, so long as such Bonds are Outstanding, the amount of money required by the Series Resolution pursuant to which such Bonds were issued or by the Bond Series Certificate relating thereto to be paid on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said future date, but does not include any amount payable by the Authority by reason only of the maturity of a Bond, and said future date is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Option Bonds or Variable Interest Rate Bonds of such Series are deemed to be Bonds entitled to such Sinking Fund Installment;

**“State”** means the State of New York;

**“Substitute Credit Facility”** means any municipal bond insurance policy, a letter of credit or similar credit enhancement or guarantee facility constituting a Credit Facility within the meaning of this Resolution issued by a Credit Facility Issuer and delivered to the Trustee in connection with a particular Series of Bonds and effective upon the expiration or early termination of the then existing Credit Facility relating to such Series of Bonds in replacement of such existing Credit Facility, all in accordance with the provisions of the Applicable Series Resolution and the Applicable Bond Series Certificate;

**“Supplemental Indenture”** means any Supplemental Indenture under the Master Indenture authorizing the issuance of an Obligation to secure a Series of Bonds;

**“Supplemental Resolution”** means any Applicable Series Resolution or any Supplemental Resolution adopted and becoming effective in accordance with the terms of Article IX hereof;

**“Tax Exempt Bonds”** means any Bonds authorized to be issued hereunder and under an Applicable Series Resolution, the interest on which Bonds is not included in gross income for purposes of federal income taxation pursuant to Section 103 of the Code;

**“Term Bonds”** means with respect to Bonds of a Series, the Bonds so designated in an Applicable Series Resolution or an Applicable Bond Series Certificate and payable from Sinking Fund Installments;

**“Trustee”** means The Bank of New York Mellon or any other bank or trust company appointed as Trustee for an Applicable Series of the Bonds pursuant to Section 8.01 hereof or any Applicable Series Resolution or any Applicable Bond Series Certificate delivered hereunder and having the duties, responsibilities and rights provided for herein and any Applicable Series Resolution and Bond Series Certificate with respect to such Series, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant hereto;

**“Variable Interest Rate”** means the rate or rates of interest to be borne by a Series of Bonds or any one or more maturities within a Series of Bonds which is or may be varied from time to time in accordance with the method of computing such interest rate or rates specified in the Applicable Series

Resolution authorizing such Bonds or the Applicable Bond Series Certificate relating to such Bonds and which shall be based on (i) a percentage or percentages or other function of an objectively determinable interest rate or rates (e.g., a prime lending rate) which may be in effect from time to time or at a particular time or times, provided, however, that such variable interest rate may be subject to a maximum interest rate and a minimum interest rate and that there may be an initial rate specified, in each case, as provided in such Applicable Series Resolution or Applicable Bond Series Certificate, or (ii) a stated interest rate that may be changed from time to time as provided in such Applicable Series Resolution or Applicable Bond Series Certificate provided, further, that such Applicable Series Resolution or Applicable Bond Series Certificate shall also specify either (x) the particular period or periods of time or manner of determining such period or periods of time for which each variable interest rate shall remain in effect or (y) the time or times at which any change in such variable interest rate shall become effective or the manner of determining such time or times;

**“Variable Interest Rate Bond”** means any Bond which bears a Variable Interest Rate; provided, however, that a Bond, the interest rate on which shall have been fixed for the remainder of the term thereof, shall no longer be a Variable Interest Rate Bond.

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, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies as well as natural persons.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in the Resolution, refer to the Resolution.

All references to the Trustee and the Paying Agent shall refer to such persons in their respective capacities solely with respect to an Applicable Series of Bonds as the same shall be identified in the Applicable Series Resolution or Applicable Bond Series Certificate.

Section 1.02 Authority for the Resolution. This Resolution is adopted pursuant to the provisions of the Act.

Section 1.03 Resolution, the Series Resolutions and the Bonds Constitute Separate Contracts. It is the intent of this Resolution to authorize the issuance by the Authority, from time to time, of its Bonds in one or more Series, each such Series to be authorized by a separate Applicable Series Resolution and, *inter alia*, to be separately secured from each other Series of Bonds. Each such Series of Bonds shall be separate and apart from any other Series of Bonds authorized by a different Series Resolution and the Holders of Bonds of such Series shall not be entitled to the rights and benefits conferred upon the Holders of Bonds of any other Series of Bonds by the Applicable Series Resolution authorizing such Series of Bonds. With respect to each Applicable Series of Bonds, in consideration of the purchase and acceptance of any and all of the Bonds of such Applicable Series authorized to be issued hereunder and under the Applicable Series Resolution by those who shall hold or own the same from time to time, this Resolution and the Applicable Series Resolution shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Holders from time to time of the Bonds of such Applicable Series, and the pledge and assignment made herein and the covenants and agreements set forth to be performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the Holders of any and all of the Bonds of such Series, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any Bonds of such Series over any other Bonds of such Series except as expressly provided herein or permitted hereby or by the Applicable Series Resolution.

Section 1.04 Option of Authority to Assign Certain Rights and Remedies to the Trustee. 1.

As security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of, and interest on, Outstanding Bonds of a Series and for the performance of each other obligation of the Authority hereunder, the Authority may grant, pledge and assign to the Trustee all of the Authority's estate, right, title, interest and claim in, to and under the Applicable Loan Agreement and Applicable Obligation, together with all rights, powers, security interests, privileges, options and other benefits of the Authority under such Applicable Loan Agreement or Applicable Obligation, including, without limitation, the immediate and continuing right to receive, enforce and collect (and to apply the same in accordance herewith) all Revenues, and other payments and other security now or hereafter payable to or receivable by the Authority under such Applicable Loan Agreement and Applicable Obligation, and the right to make all waivers and agreements in the name and on behalf of the Authority, as Trustee for the benefit of the Applicable Bondholders, and to perform all other necessary and appropriate acts under the Applicable Loan Agreement and Applicable Obligation, subject to the following conditions: (a) that, unless and until the Authority grants, pledges or assigns such rights under the Applicable Loan Agreement and/or the Applicable Obligation to the Trustee, the Authority may, with the prior written consent of the Applicable Credit Facility Issuer, if any, if required, modify, amend or release any provisions of such Applicable Loan Agreement and/or Applicable Obligation only as provided in Article VII hereof; (b) that the Holders of the Applicable Bonds, if any, shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions thereof to be performed by the Authority; (c) that, unless and until the Trustee shall, in its discretion when an "Event of Default" (as defined in the Applicable Loan Agreement) under the Applicable Loan Agreement shall have occurred and shall be continuing, so elect, by instrument in writing delivered to the Authority and the Members of the Obligated Group (and then only to the extent that the Trustee shall so elect), the Trustee shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions contained in the Applicable Loan Agreement to be performed by the Authority (except to the extent of actions undertaken by the Trustee in the course of its performance of any such covenant or provision); the Authority, however, is to remain liable to observe and perform all the conditions and covenants in the Applicable Loan Agreement to be observed and performed by it; provided, however, that any grant, pledge and assignment by the Authority of moneys, revenues, accounts, rights or other property made with respect to the Applicable Loan Agreement and the Applicable Obligation pursuant to this paragraph shall secure, in the case of the Applicable Loan Agreement and Applicable Obligation, or any applicable portion thereof, only the payment of the amounts payable under such Applicable Loan Agreement and Applicable Obligation.

2. In the event the Authority grants, pledges and assigns to the Trustee any of its rights as provided in subdivision 1 of this Section, the Trustee shall accept such grant, pledge and assignment which acceptance shall be evidenced in writing and signed by an Authorized Officer of the Trustee.

3. In the event the Authority grants, pledges and assigns to the Trustee any of its rights as provided in subdivision 1 of this Section, with respect to a Series of Bonds secured by a Credit Facility, such grant, pledge and assignment shall also reflect amounts due a Credit Facility Issuer pursuant to the Credit Facility and any reimbursement or related agreement associated therewith.

4. If not previously assigned to the Trustee pursuant to paragraph 1 of this Section 1.04, then upon (1) the occurrence of an Event of Default hereunder (other than an Event of Default specified in paragraph (c) of Section 11.02 hereof) and (2) the written request of the Trustee, the Authority shall assign the Applicable Obligation to the Trustee.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF A SERIES OF BONDS

Section 2.01 Authorization of Bonds. There are hereby authorized Bonds of the Authority of each Applicable Series to be issued as hereinafter provided. The Bonds of each Series shall be special obligations of the Authority payable solely from the Revenues pledged for the payment thereof and all funds and accounts (excluding the Applicable Arbitrage Rebate Fund and the Applicable Credit Facility Repayment Fund) authorized by the Resolution and established by the Applicable Series Resolution, all in the manner more particularly provided herein. The aggregate principal amount of Bonds of a Series which may be executed, authenticated and delivered is not limited except as provided hereby and by the Applicable Series Resolution.

The Bonds of each Series of the Authority shall not be a debt of the State, nor shall the State be liable thereon, nor shall such Bonds be payable out of any funds other than those hereby respectively pledged to the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest thereon.

The Bonds may, if and when authorized by resolution of the members of the Authority pursuant hereto and to one or more Series Resolutions, be issued and such Bonds of each Series shall contain an appropriate Series designation.

Section 2.02 Provisions for Issuance of a Series of Bonds. The issuance of Bonds of a Series shall be authorized by an Applicable Series Resolution adopted at the time of or subsequent to the adoption hereof and which shall be subject to the express limitations hereof. The Bonds of a Series authorized to be issued shall be executed in accordance with Section 3.03 hereof and delivered to the Trustee. Such Bonds of a Series shall be authenticated by the Trustee from time to time and in such amounts as directed by the Authority and by it delivered to or upon the order of the Authority upon receipt of the consideration therefor and upon delivery to the Trustee of:

- (i) A copy hereof and a copy of the Applicable Series Resolution authorizing such Series of Bonds, certified by the Authority;
- (ii) A copy of the Applicable Loan Agreement, certified by the Authority;
- (iii) A copy of the Applicable Bond Series Certificate executed in connection with such Series of Bonds;
- (iv) A written executed order as to the delivery of such Series of Bonds, describing such Bonds to be delivered, designating the purchaser or purchasers to whom such Bonds are to be delivered and stating the consideration for such Bonds;
- (v) Except in the case of Refunding Bonds, a certificate of the Authority stating that the Authority is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Applicable Series Resolution;
- (vi) Except in the case of Refunding Bonds, a certificate of an Authorized Officer of the Obligated Group stating that the Members of the Obligated Group are not in default in the performance of any of the covenants, conditions, agreements or provisions contained herein or in the Applicable Series Resolution;

(vii) If a Reserve Fund Facility is to be provided in connection with the issuance of the Bonds of such Series, such Reserve Fund Facility and the opinion of counsel to the Facility Provider required by Section 5.07(1)(b) hereof;

(viii) If the Bonds of such Series are to be secured by a Credit Facility, the Applicable Credit Facility and the opinion of counsel to the Applicable Credit Facility Issuer as required by the Applicable Series Resolution or applicable Bond Series Certificate;

(ix) If a Debt Service Reserve Fund is required in connection with the issuance of the Bonds of such Series, a certificate of an Authorized Officer of the Authority providing that (A) the Applicable Debt Service Reserve Fund Requirement for such Series of Bonds, and that (ii) after deposit in the applicable Debt Service Reserve Fund of the amount, if any, to be deposited therein, the amount on deposit in such fund will not be less than the Debt Service Reserve Requirement;

(x) The Applicable Obligation issued pursuant to the Master Indenture and the Applicable Supplemental Indenture to secure such Series of Bonds;

(xi) A copy of any Hedge Agreement executed in connection with such Series of Bonds, certified by an Authorized Officer of the Authority or the Applicable Institution; and

(xii) An opinion of Bond Counsel stating that the Resolution and the Applicable Series Resolution authorizing the Series of Bonds have been duly and lawfully adopted by the members of the Authority, that the Resolution and the Applicable Series Resolution are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms; that the Resolution and Applicable Series Resolution create a valid pledge and a valid lien upon the Revenues which it purports to create, subject only to the provisions of the Resolution and Applicable Series Resolution permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Resolution and the Applicable Series Resolution; and that the Authority is duly authorized and entitled to issue such Series of Bonds and, upon the execution and delivery thereof and upon authentication by the Trustee, such Series of Bonds will be duly and validly issued and will constitute a valid and binding special obligation of the Authority entitled to the benefits of the Resolution and Applicable Series Resolution; provided, however, that such opinion may be qualified to the extent that enforceability of rights and remedies may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' right generally or as to the availability of any particular remedy.

**Section 2.03 Series Resolutions.** Each Series Resolution authorizing the issuance of a Series of Bonds shall specify, or delegate to any Authorized Officer of the Authority, the power to determine and carry out, the following:

(i) The sale of the Bonds of such Series at public or private sale; the approval of the terms of and publication of an official statement or other offering document describing the Bonds of such Series and, if such Bonds are to be sold at public sale, publication of a notice of sale; and the execution of a contract or contracts of purchase at public or private sale on behalf of the Authority;

(ii) The authorized principal amount of such Series of Bonds;

(iii) The Member or Members of the Obligated Group for whose benefit the Bonds of such Series are to be issued, and the purpose or purposes for which such Series of Bonds is being issued, which shall be limited to (a) payment of the Costs of the Project(s) to which such Series Resolution relates, (b) payment of the Costs of Issuance of such Series of Bonds, (c) making a deposit to the

Applicable Debt Service Reserve Fund, if any, (d) funding or refunding of Bonds of a Series, which may include interest thereon, and (e) funding or refunding of notes or bonds or other obligations of the Authority or for which the Applicable Institution(s) is obligated, which may include interest thereon, all or a portion of the proceeds of which were applied to making a loan to such Institution(s);

(iv) The date or dates, the maturity date or dates and principal amounts of each maturity of the Bonds of such Series, the amount and date of each Sinking Fund Installment, if any, which Bonds of such Series are Serial Bonds or Term Bonds, if any, and the Record Date or Record Dates of the Bonds of such Series for which the Record Date or Record Dates is other than the fifteenth (15th) day of the calendar month preceding the next interest payment date for such Bonds and the date or dates on which the rate at which Variable Interest Rate Bonds of such Series bear interest shall be adjusted and the date or dates on which interest on such Variable Interest Rate Bonds shall be paid or the manner of determining the same and the manner in which interest is to be paid on such Variable Interest Rate Bonds;

(v) The interest rate or rates, if any, of the Bonds of such Series, or provisions for the determination of variable interest rates if the Bonds are Variable Interest Rate Bonds, the period or periods of time for which such Variable Interest Rates remain in effect, the date from which interest on the Bonds of such Series shall accrue and the first date on which interest on the Bonds of such Series shall be payable;

(vi) The denomination or denominations of and the manner of numbering and lettering the Bonds of such Series;

(vii) The Paying Agent or Paying Agents for such Series of Bonds and, subject to the provisions of Section 3.01 and 8.02 hereof, the place or places of payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Bonds of such Series; provided, however, that such Paying Agent or Paying Agents may be appointed by resolution adopted prior to authentication and delivery of such Series of Bonds in accordance with the provisions of Section 8.02 hereof;

(viii) If Bonds of such Series are Variable Interest Rate Bonds, provisions regarding tender for purchase or redemption thereof, payment of the purchase or Redemption Price thereof and the appointment of a Remarketing Agent with respect thereto;

(ix) The Redemption Price or Redemption Prices, if any, and, subject to Article IV hereof, the redemption terms, if any, for the Bonds of such Series;

(x) Provisions for the sale or exchange of the Bonds of such Series and for the delivery thereof;

(xi) The form of the Bonds of such Series and the form of the Trustee's certificate of authentication thereon;

(xii) Whether a Debt Service Reserve Fund is established securing such Series of Bonds, the Debt Service Reserve Fund Requirement, the terms and conditions for such Debt Service Reserve Fund and the terms and conditions upon which a Reserve Fund Facility may be used to fund all or a portion of the Debt Service Reserve Fund Requirement;

(xiii) Directions for the application of the proceeds of the Bonds of such Series;

(xiv) The Trustee for such Series of Bonds;

(xv) Direction to deliver such Series of Bonds in other than book-entry form if so determined;

(xvi) Any amendment, supplement or other modification of this Resolution that will apply solely to such Series of Bonds; and

(xvii) Any other provisions deemed advisable by an Authorized Officer of the Authority, not in conflict with the provisions hereof or the Applicable Series Resolution.

An Authorized Officer to whom an Applicable Series Resolution has delegated the power to determine any of the foregoing shall execute one or more Applicable Bond Series Certificate(s) evidencing such determinations or other actions taken pursuant to such delegation, and any such Bond Series Certificate shall be conclusive evidence of the determinations or actions of such Authorized Officer as to the matters stated therein.

All Bonds of a Series shall be identical in all respects, except as to maturity dates, principal amounts, amortization, interest rates, offering prices, numbers and letters.

**Section 2.04 Refunding Bonds.** All or any portion of one or more Series of Refunding Bonds may be authenticated and delivered to refund all Outstanding Bonds of one or more Series of Bonds, one or more series of bonds or other obligations, a portion of a Series of Outstanding Bonds or a portion of a series of bonds or other obligations, a portion of a maturity of a Series of Outstanding Bonds or a portion of a maturity of bonds or other obligations. The Authority by resolution of its members may issue Refunding Bonds of a Series in an aggregate principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits required by the provisions of this Section and of the Applicable Series Resolution authorizing such Series of Refunding Bonds or by the provisions of the resolution or resolutions authorizing the bonds or other obligations issued by the Authority, as the case may be.

(i) With respect to Refunding Bonds issued to refund all or any portion of any Series of Outstanding Bonds or to refund all or a portion of one or more series of Bonds, the Refunding Bonds of such Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02 hereof) of:

(a) If the Bonds to be refunded are to be redeemed, irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds, as the case may be, to be refunded on a redemption date specified in such instructions;

(b) Irrevocable instructions to the Trustee, satisfactory to it, to mail the notice provided for in Section 12.01 hereof to the Holders of the Bonds being refunded;

(c) Either or both of (1) moneys in an amount sufficient to effect payment of the principal at the maturity date therefor or the Redemption Price on the applicable redemption date of the Bonds to be refunded, together with accrued interest on such Bonds to the maturity or redemption date, which money shall be held by the Trustee or any one or more of the Paying Agents or such other fiduciary appointed by the Authority in a separate account irrevocably in trust for and assigned to the respective Holders of the Applicable Bonds to be refunded and (2) Defeasance Securities in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of Section 12.01 hereof or the resolution authorizing such Bonds, as may be

applicable, which Defeasance Securities and moneys shall be held in trust and used only as provided in said Section; and

(d) A certificate of the Authority containing such additional statements as may be reasonably necessary to show compliance with the requirements of this Section.

The proceeds, including accrued interest, of such Refunding Bonds shall be applied simultaneously with the delivery of such Refunding Bonds in the manner provided in or determined in accordance with the Applicable Series Resolution authorizing such Refunding Bonds.

(ii) With respect to the Refunding Bonds issued to refund all or any portion of any bonds or other obligations issued by the Authority, the proceeds, including accrued interest, shall be applied simultaneously with the delivery of such Refunding Bonds in the manner provided or as determined in accordance with the resolution or resolutions authorizing such bonds or other obligations.

**Section 2.05 Additional Obligations.** The Authority reserves the right to issue bonds, notes or any other obligations or otherwise incur indebtedness pursuant to other and separate resolutions or agreements of the Authority, so long as such bonds, notes or other obligations are not, or such other indebtedness is not, entitled to a charge or lien or right prior or equal to the charge or lien or right created hereby and pursuant to any Applicable Series Resolution, or with respect to the moneys pledged hereunder or pursuant to any Applicable Series Resolution.

### ARTICLE III

#### GENERAL TERMS AND PROVISIONS OF BONDS

**Section 3.01 Place and Medium of Payment.** The Bonds of any Applicable Series shall be payable, with respect to interest, principal, Sinking Fund Installments and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Principal, Sinking Fund Installments and Redemption Price of the Bonds of an Applicable Series shall be payable at the principal corporate trust office of the Trustee. Except as otherwise provided in the Applicable Series Resolution authorizing the issuance of Bonds or the Applicable Bond Series Certificate related to such bonds, interest on Bonds of an Applicable Series shall be paid by check or draft mailed to the registered owner thereof at the address thereof as it appears on the Bond registry books of the Authority, provided, however, that so long as the Bonds of an Applicable Series are no longer held in book-entry only form, interest on registered Bonds of an Applicable Series may be authorized to be paid, at the option of the registered owner of at least one million dollars (\$1,000,000) in principal amount of Bonds of such Series, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has, not less than five (5) days prior to the Record Date for such Bonds, directed the Trustee to wire such interest payment. For purposes of this Section, interest is payable to the registered owner of a Bond of a Series at the close of business on the Record Date for such Bond.

All payments of principal, Sinking Fund Installments or Redemption Price of or interest on Bonds shall specify the CUSIP number or numbers of the Bonds in connection with which such payment is made.

The Bonds of each Series shall be issued in the form of fully registered Bonds without coupons. Any Applicable Series Resolution may contain such additional provisions regarding the registration, transfer and exchange of Bonds of such Series as are not inconsistent herewith.

Bonds of each Series issued prior to the first interest payment date thereof shall be dated as of the date specified in the Applicable Series Resolution authorizing the issuance thereof or the Applicable Bond Series Certificate. Bonds of each Applicable Series issued on or subsequent to the first interest payment date thereof shall be dated as of the interest payment date immediately preceding the date of authentication thereof by the Trustee, unless such date of authentication shall be an interest payment date, in which case they shall be dated as of such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds of the Applicable Series shall be in default, the Bonds of such Series issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered. Bonds of each Series shall bear interest from their date.

For all purposes of the Act relating to or dealing with the date of the Bonds of any Applicable Series, such Bonds of any such Series shall be deemed to be dated as of the date provided for the Bonds of such Series in the manner provided in the Applicable Series Resolution authorizing the issuance thereof or in the Applicable Bond Series Certificate.

All Bonds of an Applicable Series shall mature on the dates fixed by an Applicable Series Resolution or an Applicable Bond Series Certificate. Except as otherwise provided in the Applicable Series Resolution or Applicable Bond Series Certificate, interest on all Bonds of each Applicable Series, except the first installment of interest due on each Applicable Series of Bonds, shall be payable semiannually in each year in which an installment of interest becomes due as fixed in the Applicable Series Resolution or the Applicable Bond Series Certificate. The first installment of interest due on the Bonds of an Applicable Series may be for such period as the Authority shall fix by the Applicable Series Resolution authorizing the issuance thereof or the Applicable Bond Series Certificate. Interest on Variable Interest Rate Bonds, shall be payable at such times as shall be provided in the Applicable Series Resolution authorizing the issuance thereof or the Applicable Bond Series Certificate related thereto.

**Section 3.02    Legends; CUSIP Numbers.** The Bonds of an Applicable Series may contain, or have endorsed thereon, such provisions, specifications and descriptive words not inconsistent herewith, as may be necessary or desirable and as may be determined by the Authority prior to their delivery.

If requested by the Applicable Institution, the Authority shall provide for the assignment of CUSIP numbers for such Bonds and to have such CUSIP numbers printed thereon, and the Trustee shall use such CUSIP numbers in notices of redemption and of the tender of Option Bonds and on all checks payable to Bondholders as a convenience to Bondholders, provided that any such notice shall state that no representation is made as to the correctness of such number either as printed on such Bonds or as contained in any notice of redemption or tender, and that an error in a CUSIP number as printed on such Bond or as contained in any notice of redemption or tender shall not affect the validity of the proceedings for redemption or tender.

**Section 3.03    Execution and Authentication.** The Bonds of each Series shall be executed in the name of the Authority by the manual or facsimile signature of its Chairman, Vice Chairman or other Authorized Officer and its corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced, and attested by the manual or facsimile signature of the Secretary, an Assistant Secretary or other Authorized Officer of the Authority, or in such other manner as may be permitted by law. In case any one or more of the officers or employees who shall have signed or sealed any of such Bonds shall cease to be such officer or employee before such Bonds so signed and sealed shall have been actually authenticated and delivered by the Trustee, such Bonds may, nevertheless, be delivered as provided herein, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices or be so employed. Any Bond may be signed and sealed on behalf of the Authority by such persons as at the actual time of the execution of such Bond shall be duly authorized or

hold the proper office in or be employed by, the Authority, although at the date of such Applicable Bonds such persons may not have been so authorized or have held such office or employment.

The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in the Applicable Series Resolution or Applicable Bond Series Certificate, executed manually by the Trustee unless the Applicable Series Resolution or Applicable Bond Series Certificate shall authorize execution by the Trustee by facsimile signature. Only such Bonds of a Series as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Resolution and the Applicable Series Resolution and no such Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond of an Applicable Series executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Resolution and the Applicable Series Resolution and that the Holder thereof is entitled to the benefits hereof and of such Applicable Series Resolution.

**Section 3.04 Negotiability, Transfer and Registry.** All Bonds of each Series issued hereunder shall be negotiable as provided in the Act, subject to the provisions for registration and transfer contained herein and in such Bonds. So long as any of such Bonds shall not have matured or been called for redemption, the Authority shall maintain and keep, at the principal corporate trust office of the Trustee, books for the registration and transfer of such Bonds; and, upon presentation for such purpose at said office, the Authority shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Trustee may prescribe, any such Bond entitled to registration or transfer. So long as any of such Bonds have not matured or been called for redemption, the Authority shall make all necessary provisions to permit the exchange of such Bonds at the principal corporate trust office of the Trustee.

**Section 3.05 Transfer of Bonds.** Each Bond of a Series shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the principal corporate trust office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney and the payment of a charge sufficient to reimburse the Authority or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such transfer. Upon the transfer of any such Bond, the Authority shall cause to be issued in the name of the transferee a new Bond or Bonds of the same aggregate principal amount, Series and maturity as the surrendered Bond.

The Authority and the Trustee may deem and treat the person in whose name any such Bond shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal, Sinking Fund Installments, if any, or Redemption Price of such Bond and, subject to the provisions of Section 3.01 hereof with respect to Record Dates, interest on such Bond and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums paid, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. The Authority agrees to indemnify and save the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under the Resolution and the Applicable Series Resolution, in so treating such registered owner.

**Section 3.06 Regulations with Respect to Exchanges and Transfers.** In all cases in which the privilege of exchanging or transferring Bonds of a Series is exercised, the Authority shall execute and the Trustee shall authenticate and deliver such Bonds in accordance with the provisions hereof. All such

Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Trustee. For every such exchange or transfer of such Bonds (other than an exchange by or transfer to the Credit Facility Issuer of Bank Bonds), whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid, by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provisions hereof, the cost of preparing each new Bond of an Applicable Series upon each exchange or transfer, and any other expenses of the Authority or the Trustee incurred in connection therewith, shall be paid by the person requesting such exchange or transfer. The Authority shall not be obliged to make any exchange or transfer of Bonds of any such Series, other than the exchange or transfer of an Option Bond which has been tendered or deemed tendered by the Holder thereof for purchase during the period beginning on the Record Date for such Bonds next preceding an interest payment date on such Bonds and ending on such interest payment date, or, in the case of any proposed redemption of Bonds of such Series, after the date next preceding the date of the selection of such Bonds to be redeemed.

**Section 3.07 Bonds Mutilated, Destroyed, Lost or Stolen.** In case any Bond of a Series shall become mutilated or be destroyed, lost or stolen, the Authority in its discretion may execute, and upon its request the Applicable Trustee shall authenticate and deliver, a new Bond of like Series, maturity and principal amount as such Bond so mutilated, destroyed, lost or stolen, in exchange and substitution for the mutilated, destroyed, lost or stolen Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for such Bond so destroyed, lost or stolen, upon filing with the Authority evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, lost or stolen and proof of ownership thereof, and upon furnishing the Authority and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Authority and the Trustee may prescribe and paying such expenses as the Authority and the Trustee may incur in connection therewith. All such Bonds so surrendered to the Applicable Trustee shall be cancelled by it and evidence of such cancellation shall be given to the Authority. In case any Bond of a Series which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Authority may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Authority and to the Trustee such security or indemnity as they may require to save them harmless, and evidence to the satisfaction of the Authority and Applicable Trustee of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof.

**Section 3.08 Preparation of Definitive Bonds; Temporary Bonds.** Until the definitive Bonds of any Series are prepared, the Authority may execute, in the same manner as is provided in Section 3.03 hereof, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds of such Series, except as to the denominations thereof, one or more temporary Bonds, substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in authorized denominations or any whole multiples thereof authorized by the Authority, and with such omissions, insertions and variations as may be appropriate to such temporary Bonds. The Authority at its own expense shall prepare and execute and, upon the surrender at the principal corporate trust office of the Trustee of such temporary Bonds, for exchange and the cancellation of such surrendered temporary Bonds, the Trustee shall authenticate and, without charge to the Holder thereof, deliver in exchange therefor, at the principal corporate trust office of the Trustee, definitive Bonds of such Series of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds of a Series shall in all respects be entitled to the same benefits and security as definitive Bonds of such Series issued pursuant hereto and pursuant to the Applicable Series Resolution.

All temporary Bonds of a Series surrendered in exchange for a definitive Bond or Bonds of such Series shall be forthwith cancelled by the Applicable Trustee.

Section 3.09 Book Entry Bonds. Anything herein to the contrary notwithstanding, Bonds may be authorized and issued as book entry or uncertificated bonds in accordance with the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate. For all purposes of the Resolution the Holder of a Book Entry Bond shall be the Depository therefor and neither the Authority nor the Trustee shall have responsibility or any obligation to the beneficial owner of such Bond or to any direct or indirect participant in such Depository. Without limiting the generality of the foregoing, neither the Authority nor the Trustee shall have any responsibility or obligation to any such participant or to the beneficial owner of a Book Entry Bond with respect to (i) the accuracy of the records of the Depository or any participant with respect to any beneficial ownership interest in such Bond, (ii) the delivery to any participant of the Depository, the beneficial owner of such Bond or any other person, other than the Depository, of any notice with respect to such Bond, including any notice of the redemption thereof, or (iii) the payment to any participant of the Depository, the beneficial owner of such Bond or any other person, other than the Depository, of any amount with respect to the principal or Redemption Price of, or interest on, such Bond. The Authority and the Trustee may treat the Depository therefor as the absolute owner of a Book Entry Bond for the purpose of (x) payment of the principal, Sinking Fund Installment or Redemption Price of, and interest on such Bond, (y) giving notices of redemption and of other matters with respect to such Bond, (z) registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal, Sinking Fund Installment or Redemption Price of, as applicable, and interest on, such Bond only to or upon the order of the Depository, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to such principal, Sinking Fund Installment or Redemption Price and interest to the extent of the sum or sums so paid. No person other than the Depository shall receive a Bond or other instrument evidencing the Authority's obligation to make payments of the principal or Redemption Price thereof, and interest thereon.

Anything herein to the contrary notwithstanding, payment of the Redemption Price of Book Entry Bonds which are redeemed prior to maturity may be paid to the Depository by wire transfer. Such payment of the Redemption Price of Book Entry Bonds to the Depository may be made without surrender of Bonds to the Trustee; provided, however, payment of principal at maturity of or the Redemption Price of Book Entry Bonds of like Series, maturity and tenor which are redeemed in whole shall be paid only upon the presentation and surrender of such Bonds to the Trustee.

The Authority, in its sole discretion and without the consent of the Trustee, the beneficial owner of a Book Entry Bond or any other person, may terminate the services of the Depository with respect to a Book Entry Bond if the Authority determines that (i) the Depository is unable to discharge its responsibilities with respect to such Bonds or (ii) a continuation of the requirement that all of the Outstanding Bonds of like Series issued in book entry form be registered in the registration books of the Authority in the name of the Depository, is not in the best interest of the beneficial owners of such Bonds, and the Authority shall terminate the services of the Depository upon receipt by the Authority and the Trustee of written notice from the Depository that it has received written requests that such Depository be removed from its participants having beneficial interest, as shown in the records of the Depository, in an aggregate amount of not less than fifty percent in principal amount of the then Outstanding Bonds for which the Depository is serving as Depository.

Upon the termination of the services of a Depository with respect to a Book Entry Bond, or upon the resignation of a Depository with respect to a Book Entry Bond, after which no substitute securities depository willing to undertake the functions of such Depository can be found which, in the opinion of the Authority, is able to undertake such functions upon reasonable and customary terms, such Bonds shall

no longer be registered in the registration books kept by the Trustee in the name of a Depository, but shall be registered in the name or names Bondholders transferring or exchanging such Bonds shall designate, in accordance with the provisions of Article III hereof. Upon termination of the services of a Depository as provided in the preceding sentence, the Trustee shall provide notice thereof to the Credit Facility Issuer.

## ARTICLE IV

### REDEMPTION OF BONDS

Section 4.01 Authorization of Redemption or Purchase of an Applicable Series. Bonds of an Applicable Series subject to redemption or purchase prior to maturity pursuant hereto or to an Applicable Series Resolution or an Applicable Bond Series Certificate shall be redeemable or purchasable, in accordance with this Article IV, at such times, at such Redemption Prices or Purchase Prices and upon such terms as may otherwise be specified herein or in the Applicable Series Resolution authorizing such Series or the Applicable Bond Series Certificate. The redemption provisions may be modified, amended or supplemented in this Article for an Applicable Series of Bonds by the Series Resolution or Series Certificate relating to the issuance of such Bonds.

Section 4.02 Redemption at the Election of the Authority. In the case of any redemption of Bonds of an Applicable Series other than as provided in Section 4.03 hereof, such Bonds may be redeemed at the option of the Authority at the direction of the Institution as provided in the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate. In exercising such option, the Authority shall give written notice to the Applicable Trustee, Applicable Credit Facility Issuer, if any, and each Facility Provider, if any, of its election to redeem, including the Series designation, the principal amounts and the maturities of such Bonds so elected. The Series designation, maturities and principal amounts thereof to be redeemed shall be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained herein. Such notice shall be given to the Trustee at least forty-five (45) days prior to the date on which the Bonds of such Series are to be redeemed, or such fewer number of days as shall be acceptable to the Trustee. Unless the notice of redemption required by Section 4.05 hereof provides that the redemption is subject to the condition that moneys for payment of the Redemption Price is available on the Redemption Date, the notice of redemption required by Section 4.05 hereof to be given shall not be given with respect to such Bonds to be redeemed pursuant to this Section unless prior to the date such notice is to be given the Authority has (i) paid or caused to be paid to the Trustee an amount of money which, in addition to other money available therefor held by the Trustee, is sufficient to redeem, on the redemption date at the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, all of the Bonds of such Series to be so redeemed, and (ii) if money is then due to a Facility Provider for moneys advanced under a Reserve Fund Facility, which is then unpaid, including interest due thereon, have obtained the written consent of such Facility Provider. Notwithstanding the foregoing, subject to the provisions of the Applicable Series Resolution or Applicable Bond Series Certificate, in the event Bonds of an Applicable Series are to be redeemed at the option of the Authority pursuant to the repayment provisions of the Applicable Loan Agreement, such Bonds shall be redeemed at a Redemption Price equal to the principal amount thereof and to the extent practicable pro rata among maturities within such Series. All other requirements of this Section 4.02 with respect to notice shall apply to redemptions pursuant to the repayment provisions of the Applicable Loan Agreement.

Section 4.03 Redemption other than at Authority's Election. Whenever by the terms hereof the Trustee is required or authorized to redeem Bonds of an Applicable Series from Sinking Fund Installments, the Trustee shall select the Bonds of such Series to be redeemed. Whenever by the terms hereof the Trustee is required or authorized to redeem Bonds of an Applicable Series other than pursuant to Section 4.02 hereof and other than through Sinking Fund Installments, the Authority shall select the

maturities of the Bonds of such Series to be redeemed by notice thereof given to such Trustee at least ten (10) days prior to the date notice of redemption is mailed. The Trustee shall select the Bonds of the Applicable Series and maturities to be redeemed in the manner provided in Section 4.04 hereof, give the notice of redemption and pay out of moneys available therefor the Redemption Price thereof, together with interest accrued to the redemption date, to the appropriate Paying Agents in accordance with the terms of this Article IV.

**Section 4.04 Selection of Bonds to Be Redeemed.** In the event of redemption of less than all of the Outstanding Bonds of an Applicable Series and maturity, the Trustee shall assign to each such Outstanding Bond of such Series and maturity to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw such Bonds by lot (i) individually or (ii) by one or more groups the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as in this Section 4.04 provided) which end in the same digit or in the same two digits. In case, upon any drawing by groups, the total principal amount of Bonds of such Series drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of such Bonds and select part of any such Bond for redemption.

**Section 4.05 Notice of Redemption.** Whenever Bonds of an Applicable Series are to be redeemed, the Trustee shall give notice of the redemption of such Bonds in the name of the Authority, which notice shall be given by first-class mail, postage prepaid to the Applicable Credit Facility Issuer, if any, and the registered owners of Bonds of the Applicable Series which are to be redeemed, at their last known addresses, if any, appearing on the registration books of the Authority, on the tenth (10<sup>th</sup>) business day prior to the date such notice is given at least thirty (30) days but not more than forty-five (45) days prior to the Redemption Date or, in the case of Variable Interest Rate Bonds, such shorter period as shall be established by the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate relating thereto, but in no event less than fifteen (15) days prior to the Redemption date. The Trustee shall promptly certify to the Authority that it has mailed or caused to be mailed such notice to such Bondholders, and such certificate shall be conclusive evidence that such notice was given in the manner required hereby. The failure of any such owner to receive notice shall not affect the validity of the proceedings for the redemption of Bonds with respect to which notice has been given in accordance with this Section 4.05. Such notice shall specify: (i) the Bonds to be redeemed which shall be identified by the designation of the Bonds given in accordance with Section 2.01 hereof, the maturity dates and interest rates of the Bonds to be redeemed and the date such Bonds were issued; (ii) the numbers and other distinguishing marks of the Bonds to be redeemed, including CUSIP numbers; (iii) the redemption date; (iv) the Redemption Price; (v) of each such Bond, the principal amount thereof to be redeemed; (vi) the date of publication, if any, of the notice of redemption; (vii) that such Bonds will be redeemed at the principal corporate trust office of the Trustee giving the address thereof and the name and telephone number of a representative of the Trustee to whom inquiries may be directed; and (viii) that no representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in such notice and that an error in a CUSIP number as printed on such Bond or as contained in such notice shall not affect the validity of the proceedings for redemption. Such notice shall further state that on such date there shall become due and payable upon each Bond of an Applicable Series to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that

from and after such date, payment having been made or provided for, interest thereon shall cease to accrue.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the Redemption Date of moneys sufficient to pay the principal of, premium, if any, and interest on such Bonds to be redeemed and that if such moneys are not so received, such notice shall be of no force and effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of, premium, if any, and interest on such Bonds are not received by the Trustee on or prior to the Redemption Date, the redemption shall not be made by the Trustee and the Trustee shall, within a reasonable period of time thereafter, give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

**Section 4.06 Payment of Redeemed Bonds.** Notice having been mailed in the manner provided in Section 4.05 hereof, the Bonds of an Applicable Series or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office or offices specified in such notice, together with, in the case of such Bonds presented by other than the registered owner, a written instrument of transfer duly executed by the registered owner or such owner's duly authorized attorney, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. So long as the Bonds shall no longer be held in book-entry only form, the Redemption Price shall be paid to the registered owner of one million dollars (\$1,000,000) or more in principal amount of Bonds to be redeemed, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has, not later than upon presentation and surrender of the Bond to be redeemed to the Trustee, directed in writing the Trustee to wire such Redemption Price. If there shall be drawn for redemption less than all of the principal amount of a Bond of a Series, the Authority shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance or the principal amount of such Bond so surrendered, Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all Bonds of an Applicable Series or portions thereof to be redeemed, together with interest to the redemption date, shall be held by the Trustee and Paying Agents so as to be available therefor on such date and if notice of redemption shall have been mailed as aforesaid, then, from and after the redemption date, interest on such Bonds or portion thereof so called for redemption shall cease to accrue and such Bonds will no longer be considered to be Outstanding under this Resolution or the Applicable Series Resolution. If such moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

**Section 4.07 Purchase in Lieu of Redemption.** Unless otherwise provided in the Applicable Series Resolution or Applicable Bond Series Certificate, whenever Bonds are subject to optional redemption, they may instead be purchased at the election of the Institution at a purchase price equal to the Redemption Price. The Institution shall give written notice thereof and of the Bonds of each Series and maturity to be so purchased to the Authority and the Trustee. The Trustee shall select the particular Bonds of each such Series and maturity to be so purchased in the same manner as provided in Section 4.04 hereof for the selection of Bonds to be redeemed in part. Promptly thereafter, the Trustee shall give notice of the purchase of such Bonds at the times and in the manner provided in Section 4.05 hereof for notice of redemption. The Trustee shall not give such notice unless prior to the date such notice is given the Institution has caused to be delivered to the Trustee the written consent to such purchase of the Authority. All such purchases may be subject to conditions to the Applicable Institution's obligation to purchase such Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been

given in the manner required above, then, if sufficient money to pay the purchase price of such Bonds is held by the Trustee, the purchase price of the Bonds or portions thereof so called for purchase shall become due and payable on the date set for purchase, upon presentation and surrender of such Bonds (other than Book Entry Bonds) to be purchased at the office or offices specified in such notice, and, in the case of Bonds presented by other than the registered owner, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney. Payment of the purchase price of such Bonds shall be made, upon the request of the registered owner of one million dollars (\$1,000,000) or more in principal amount of Bonds to be so purchased, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has prior to the purchase date directed in writing the Trustee to wire such purchase price. No purchased Bond shall be considered to be no longer outstanding by virtue of its purchase and each such purchased Bond that is not a Bond Entry Bond shall be registered at the direction of the Obligated Group.

## ARTICLE V

### PLEDGE OF REVENUES; FUNDS;REVENUES AND APPLICATION THEREOF

Section 5.01 Pledge of Revenues. The proceeds from the sale of an Applicable Series of Bonds, the Revenues and all funds authorized hereby and established pursuant to an Applicable Series Resolution, other than an Applicable Arbitrage Rebate Fund or an Applicable Credit Facility Repayment Fund, are hereby, subject to the adoption of an Applicable Series Resolution, pledged and assigned to the Trustee as security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Applicable Series of Bonds and as security for the performance of any other obligation of the Authority hereunder and under an Applicable Series Resolution with respect to such Series, and together with the Applicable Credit Facility Provider Repayment Fund, to each Applicable Credit Facility Issuer as security for the Institution's performance of its obligations under the Applicable Credit Facility and any reimbursement or related agreement associated therewith, all in accordance with the provisions hereof and thereof. The pledge made hereby, subject to the adoption of an Applicable Series Resolution, shall relate only to the Bonds of an Applicable Series authorized by such Series Resolution and no other Series of Bonds and such pledge shall not secure any such other Series of Bonds. The pledge made hereby is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of the Applicable Series of Bonds, the Revenues and all funds and accounts established hereby and pursuant to the Applicable Series Resolution which are pledged hereby and pursuant to the Applicable Series Resolution shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds of each Applicable Series shall be special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of such Series of Bonds, the Revenues and the funds established hereby and pursuant to the Applicable Series Resolution, which pledge shall constitute a first lien thereon.

Section 5.02 Establishment of Funds. Unless otherwise provided by the Applicable Series Resolution, the following funds are authorized to be established, held and maintained for each Applicable Series by the Trustee under the Applicable Series Resolution separate from any other funds established and maintained pursuant to any other Series Resolution:

Construction Fund;  
Debt Service Fund;  
Debt Service Reserve Fund;  
Arbitrage Rebate Fund; and  
Credit Facility Repayment Fund.

Accounts and sub-accounts within each of the foregoing funds may from time to time be established in accordance with an Applicable Series Resolution, an Applicable Bond Series Certificate or upon the direction of the Authority. All moneys at any time deposited in any fund created hereby, other than the Applicable Arbitrage Rebate Fund and the Applicable Credit Facility Repayment Fund, shall be held in trust for the benefit of the Holders of the Applicable Series of Bonds, but shall nevertheless be disbursed, allocated and applied solely in connection with an Applicable Series of Bonds for the uses and purposes provided herein; *provided however*, that (i) any Debt Service Reserve Fund established by or pursuant to a Series Resolution, the amounts held therein and amounts derived from any Reserve Fund Facility related thereto, shall not be held in trust for the benefit of the Holders of Bonds other than the Bonds of the Series secured thereby as provided in such Series Resolution and are pledged solely thereto and no Holder of the Bonds of any other Series shall have any right or interest therein, and (ii) the proceeds derived from the remarketing of Option Bonds tendered or deemed to have been tendered for purchase or redemption in accordance with the Series Resolution authorizing the issuance of such Bonds or the Bond Series Certificate relating to such Bonds or derived from a Liquidity Facility relating to such Bonds, and any fund or account established by or pursuant to such Series Resolution for the payment of the purchase price or Redemption Price of Option Bonds so tendered or deemed to have been tendered, shall not be held in trust for the benefit of the Holders of Bonds other than such Option Bonds and are pledged hereby for the payment of the purchase price or Redemption Price of such Option Bonds.

**Section 5.03 Application of Bond Proceeds and Allocation Thereof.** Upon the receipt of proceeds from the sale of an Applicable Series of Bonds, the Authority shall apply such proceeds as specified herein and in an Applicable Series Resolution authorizing such Series or in the Applicable Bond Series Certificate.

Accrued interest, if any, received upon the delivery of an Applicable Series of Bonds shall be deposited in the appropriate account in the Applicable Debt Service Fund unless all or any portion of such amount is to be otherwise applied as specified in the Applicable Series Resolution or the Applicable Bond Series Certificate.

**Section 5.04 Application of Moneys in the Construction Fund.**

1. For purposes of internal accounting, an account in an Applicable Construction Fund may contain one or more subaccounts, as the Authority or the Trustee may deem necessary or desirable. As soon as practicable after the delivery of an Applicable Series of Bonds, the Trustee shall deposit in the appropriate account in the Applicable Construction Fund the amount required to be deposited therein pursuant to the Applicable Series Resolution, the Applicable Loan Agreement or the Applicable Bond Series Certificate. In addition, the Authority shall remit to the Trustee and the Trustee shall deposit in the appropriate account in the Applicable Construction Fund any moneys paid or instruments payable to the Authority derived from insurance proceeds or condemnation awards from the Applicable Project.

2. Except as otherwise provided in this Article V and in the Applicable Series Resolution or Applicable Bond Series Certificate, moneys deposited in the Applicable Construction Fund shall be used only to pay the Costs of Issuance of the Bonds issued in connection with such Series Resolution or Bond Series Certificate and the Costs of the Project(s) in connection with which such Series of Bonds was issued.

3. Payments for Costs of an Applicable Project shall be made by the Trustee upon receipt of, and in accordance with, a certificate or certificates of the Authority stating the names of the payees, the purpose of each payment in terms sufficient for identification and the respective amounts of each such payment. Such certificate or certificates shall be substantiated by a certificate filed with the Authority signed by an Authorized Officer of the Applicable Institution, describing in reasonable detail the purpose

for which moneys were used and the amount thereof, and further stating that such purpose constitutes a necessary part of the Costs of such Project except that payments to pay interest on the Applicable Series of Bonds shall be made by the Trustee upon receipt of, and in accordance with, the direction of an Authorized Officer of the Authority directing the Trustee to transfer such amount from the Applicable Construction Fund to the Applicable Debt Service Fund.

4. Any proceeds of insurance, condemnation or eminent domain awards received by the Trustee, the Authority or an Applicable Institution with respect to an Applicable Project financed with Tax Exempt Bonds shall be deposited in the appropriate account in the Applicable Construction Fund and, if necessary, such fund may be reestablished for such purpose and if not used to repair, restore or replace such Project, transferred to the Applicable Debt Service Fund for the redemption of the Applicable Series of Bonds in accordance with the Applicable Loan Agreement.

5. An Applicable Project shall be deemed to be complete (a) upon delivery to the Authority and the Trustee of a certificate signed by an Authorized Officer of the Applicable Institution which certificate shall be delivered as soon as practicable after the date of completion of such Project or (b) upon delivery to the Applicable Institution and the Trustee of a certificate of the Authority which certificate may be delivered at any time after completion of such Project upon satisfaction of terms set forth in the Applicable Loan Agreement. Each such certificate shall state that such Project has been completed substantially in accordance with the plans and specifications, if any, applicable to such Project and that such Project is ready for occupancy, and, in the case of a certificate of an Authorized Officer of such Applicable Institution, shall specify the date of completion, or if any portion of the Project has been abandoned and will not be completed, shall so state.

Upon receipt by the Trustee of the certificate required pursuant to this subdivision, the moneys, if any, then remaining in the Applicable Construction Fund, after making provision in accordance with the written direction of the Authority for the payment of any Costs of Issuance of such Applicable Series of Bonds and Costs of the Applicable Project then unpaid, shall be paid by the Trustee as follows and in the following order of priority:

First: Upon the written direction of the Authority, to the Applicable Arbitrage Rebate Fund, the amount set forth in such direction;

Second: To the Applicable Debt Service Reserve Fund, such amount as shall be necessary to make the amount on deposit in such fund equal to the Applicable Debt Service Reserve Fund Requirement; and

Third: To the Applicable Debt Service Fund for the redemption or purchase of the Applicable Series of Bonds in accordance with this Resolution and the Applicable Series Resolution, any balance remaining.

#### Section 5.05 Enforcement of Obligations, Deposit of Revenues and Allocation Thereof.

1. To the extent an Applicable Institution fails to make any timely payment with respect to a Series of Bonds under the Applicable Loan Agreement, which payment would constitute a credit for payment of the Applicable Obligation in accordance with the terms thereof, the Trustee shall promptly make demand for payment under the Applicable Obligation in accordance with the terms thereof.

2. The Revenues, including all payments received under the Applicable Loan Agreement, the Master Indenture, the Applicable Supplemental Indenture and the Applicable Obligations, shall be deposited upon receipt by the Trustee to the appropriate account of the Applicable Debt Service Fund in

the amounts, at the times and for the purposes specified in the Applicable Series Resolution or Applicable Loan Agreement. Except as provided in the Applicable Series Resolution or Applicable Bond Series Certificate, to the extent not required to pay the interest, principal, Sinking Fund Installments and moneys which are required or have been set aside for the redemption of Bonds of the Applicable Series, moneys in the Applicable Debt Service Fund shall be paid by the Trustee on or before the business day preceding each interest payment date as follows and in the following order of priority:

First: To reimburse, pro rata, each Applicable Credit Facility Issuer for any unreimbursed amounts under each Applicable Credit Facility and any reimbursement or related agreement associated therewith, in proportion to the respective amounts then unpaid to each Applicable Credit Facility Issuer.

Second: To reimburse, pro rata, the Applicable Facility Provider, if any, for Provider Payments which have not been repaid and to replenish each Debt Service Reserve Fund to its respective Debt Service Reserve Fund Requirement, pro rata, in proportion to the amount the respective Provider Payments then unpaid to each Facility Provider and the amount of the deficiency in each Debt Service Reserve Fund bears to the aggregate amount of Provider Payments then unpaid and deficiencies in the respective Debt Service Reserve Funds;

Third: Upon the written direction of an Authorized Officer of the Authority, to the Applicable Arbitrage Rebate Fund in the amount set forth in such direction;

Fourth: To the Applicable Debt Service Reserve Fund, such amount, if any, other than as set forth in paragraph "Second" above, necessary to make the amount on deposit in such fund equal to the Applicable Debt Service Reserve Fund Requirement; and

Fifth: To the Authority, unless otherwise paid, such amounts as are payable to the Authority for: (i) any expenditures of the Authority for fees and expenses of auditing, and fees and expenses of the Trustee and Paying Agents, all as required hereby, (ii) all other expenditures reasonably and necessarily incurred by the Authority in connection with the financing of the Applicable Project, including expenses incurred by the Authority to compel full and punctual performance of all the provisions of the Applicable Loan Agreement in accordance with the terms thereof, and (iii) any fees of the Authority; but only upon receipt by the Trustee of a certificate signed by an Authorized Officer of the Authority, stating in reasonable detail the amounts payable to the Authority pursuant to this paragraph Fourth.

3. After making the payments required by subdivision 2 of this Section, the balance, if any, of the Revenues then remaining shall, upon the written direction of an Authorized Officer of the Authority, be paid by the Trustee to the Applicable Construction Fund or the Applicable Debt Service Fund, or paid to the Applicable Institution, in the respective amounts set forth in such direction, free and clear of any pledge, lien, encumbrance or security interest created hereby. The Trustee shall notify the Authority and the Institution promptly after making the payments required by subdivision 1 of this Section, of any balance of Revenues then remaining.

4. In the event that any payments received by the Trustee hereunder are less than the total amount required to be paid to the Trustee and such payments relate to more than one Series of Bonds, the payments shall be applied pro rata to each such Series of Bonds based upon the amounts then due and payable.

Section 5.06 Debt Service Fund.

1. The Trustee shall on or before the business day preceding each interest payment date with respect to a Series of Bonds, as required by, and in accordance with, the Applicable Series Resolution or Applicable Bond Series Certificate, pay, from the Applicable Debt Service Fund, or the applicable account thereof to itself and any other Paying Agent:

- (a) the interest due on all Outstanding Bonds of the Applicable Series on such interest payment date;
- (b) the principal amount due on all Outstanding Bonds of the Applicable Series on such interest payment date;
- (c) the Sinking Fund Installments, if any, due on all Outstanding Bonds of the Applicable Series on such interest payment date; and
- (d) moneys required for the redemption of Bonds of the Applicable Series in accordance with Section 5.09 hereof.

The amounts paid out pursuant to this Section shall be irrevocably pledged to and applied to such payments.

2. In the event that on the fourth business day preceding any Interest Payment Date for a Series of Bonds the amount in the Applicable Debt Service Fund shall be less than the amounts, respectively, required for payment of interest on the Outstanding Bonds of the Applicable Series, for the payment of principal of such Outstanding Bonds, for the payment of Sinking Fund Installments of such Outstanding Bonds due and payable on such interest payment date or for the payment of the Purchase Price or Redemption Price of such Outstanding Bonds theretofore contracted to be purchased or called for redemption, plus accrued interest thereon to the date of purchase or redemption, the Trustee shall withdraw from the Applicable Debt Service Reserve Fund and deposit to the Applicable Debt Service Fund such amounts as will increase the amount in the Debt Service Fund to an amount sufficient to make such payments. The Trustee shall notify the Authority, the Applicable Facility Provider, if any, Credit Facility Issuer, if any, Master Trustee, Obligated Group Representative of a withdrawal from the Applicable Debt Service Reserve Fund.

3. Notwithstanding the provisions of subdivision 1 of this Section, the Authority may, at any time subsequent to the first principal payment date of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with moneys on deposit in the Applicable Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Applicable Term Bonds to be redeemed from such Sinking Fund Installment. Any Term Bond so purchased and any Term Bond purchased by a Member of the Obligated Group and delivered to the Trustee in accordance with the Applicable Loan Agreement shall be canceled upon receipt thereof by such Trustee and evidence of such cancellation shall be given to the Authority. The principal amount of each Term Bond so canceled shall be credited against the Sinking Fund Installment due on such date, provided that such Term Bond is canceled by the Trustee prior to the date on which notice of redemption is given.

4. Moneys in the Applicable Debt Service Fund in excess of the amount required to pay the principal and Sinking Fund Installments of Outstanding Bonds of an Applicable Series of Bonds payable on or prior to the next succeeding principal payment date, the interest on such Outstanding Bonds payable on the next succeeding interest payment date, assuming that a Variable Interest Rate Bond will bear

interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds that bear interest, plus one point (1%) per annum and the Purchase Price or Redemption Price of Applicable Outstanding Bonds theretofore contracted to be purchased or called for redemption, plus accrued interest thereon to the date of purchase or redemption, shall be applied by the Trustee in accordance with the written direction of an Authorized Officer of the Authority to the purchase of Applicable Outstanding Bonds of any Series at Purchase Prices not exceeding the Redemption Price applicable on the next interest payment date on which such Bonds are redeemable, plus accrued and unpaid interest to such date, at such times, at such purchase prices and in such manner as an Authorized Officer of the Authority shall direct. If sixty (60) days prior to the end of a Bond Year an excess, calculated as aforesaid, exists in the Applicable Debt Service Fund, such moneys may be applied by the Trustee: (i) in accordance with the direction of an Authorized Officer of the Authority given pursuant to Section 4.02 hereof to the redemption of Bonds as provided in Article IV hereof, at the Redemption Prices specified in the Applicable Series Resolution or Applicable Bond Series Certificate or (ii) as may otherwise be directed by the Authority.

The provisions of subdivision 3 and 4 above shall be applied without reference or recourse to moneys derived from a Credit Facility.

**Section 5.07 Debt Service Reserve Fund.** 1. (a) The Trustee of a Series of Bonds shall deposit to the credit of the Applicable Debt Service Reserve Fund such proceeds of the sale of Bonds, if any, as shall be prescribed in the Applicable Series Resolution or the Applicable Bond Series Certificate, and any Revenues, moneys, Government Obligations and Exempt Obligations as, by the provisions of the Applicable Loan Agreement, are delivered to the Trustee by or on behalf of the Applicable Institution for the purposes of the Applicable Debt Service Reserve Fund.

(b) In lieu of or in substitution for moneys, Government Obligations or Exempt Obligations, the Authority may deposit or cause to be deposited with the Trustee a Reserve Fund Facility for the benefit of the Holders of the Bonds for all or any part of the Applicable Debt Service Reserve Requirement; provided (i) that any such surety bond or insurance policy shall be issued by an insurance company or association duly authorized to do business in the State and either (A) the claims paying ability of such insurance company or association is rated in at least the second highest rating category accorded by a Rating Service or (B) obligations insured by a surety bond or an insurance policy issued by such company or association are rated, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, in at least the second highest rating category at the time such surety bond or insurance policy is issued by a Rating Service and (ii) that any letter of credit shall be issued by a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provision of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provision of law, or a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, the unsecured or uncollateralized long term debt obligations of which, or long term obligations secured or supported by a letter of credit issued by such person, are rated at the time such letter of credit is delivered, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, in at least the second highest, rating category by a Rating Service.

In addition to the conditions and requirements set forth above, no Reserve Fund Facility shall be deposited in full or partial satisfaction of a Debt Service Reserve Fund Requirement unless the Trustee shall have received prior to such deposit (i) an opinion of counsel to the effect that such Reserve Fund Facility has been duly authorized, executed and delivered by the Facility Provider thereof and is valid, binding and enforceable in accordance with its terms, (ii) in the event such Facility Provider is not a

domestic entity, an opinion of foreign counsel in form and substance satisfactory to the Authority, and (iii) in the event such Reserve Fund Facility is a letter of credit, an opinion of counsel acceptable to the Trustee substantially to the effect that payments under such letter of credit will not constitute avoidable preferences under Section 547 of the United States Bankruptcy Code in a case commenced by or against the Authority or the Institution thereunder or under any applicable provisions of the Debtor and Creditor Law of the State.

Notwithstanding the foregoing, if at any time after a Reserve Fund Facility has been deposited with the Trustee the unsecured or uncollateralized long term debt of the Facility Provider or the long term debt obligations secured or supported by a surety bond, insurance policy or letter of credit of a Facility Provider is reduced below the ratings required by the second preceding paragraph, the Authority shall, unless at the time such ratings are reduced such Facility Provider is the Credit Facility Issuer of all Outstanding Bonds of the Applicable Series, either (i) replace or cause to be replaced said Reserve Fund Facility with another Reserve Fund Facility which satisfies the requirements of the second preceding paragraph or (ii) deposit or cause to be deposited in the Applicable Debt Service Reserve Fund an amount of moneys, Government Obligations or Exempt Obligations which meet the requirements of subdivision 1 of Section 6.02 hereof which is equal to the value of the Reserve Fund Facility of such Facility Provider, such deposits to be, as nearly as practicable, in ten (10) equal semi-annual installments commencing on the first date payment of interest is due on the Bonds next succeeding the reduction in said ratings.

Each such surety bond, insurance policy or letter of credit shall be payable (upon the giving of such notice as may be required thereby) on any date on which moneys are required to be withdrawn from the Applicable Debt Service Reserve Fund and such withdrawal cannot be made without obtaining payment under such Reserve Fund Facility.

For the purposes of this Section and Section 5.11 hereof, in computing the amount on deposit in the Applicable Debt Service Reserve Fund, a Reserve Fund Facility shall be valued at the amount available to be paid thereunder on the date of computation; provided that, if the unsecured or uncollateralized long term debt of such Facility Provider, or the long term debt obligations secured or supported by a surety bond, insurance policy or letter of credit of said paragraph of this Section 5.07(1)(b), for the purposes of this Section and Section 5.11 hereof, in computing the amount on deposit in the Applicable Debt Service Reserve Fund, a Reserve Fund Facility shall be valued at the amount available to be paid thereunder on the date of computation in and upon the computation of the value of the assets in the Applicable Debt Service Reserve Fund pursuant to Section 5.11 hereof, if the value of the assets exceeds the Applicable Debt Service Reserve Fund Requirement, the Trustee shall return to the Authority or the Applicable Institution, as the case may be, the amount by which the assets on deposit exceed the Applicable Debt Service Reserve Fund Requirement.

2. Moneys held for the credit of the Applicable Debt Service Reserve Fund shall be withdrawn by the Trustee and deposited to the credit of the Applicable Debt Service Fund at the times and in the amounts required to comply with the provisions of subdivision 2 of Section 5.06 hereof; provided that no payment under an Applicable Reserve Fund Facility shall be sought unless and until moneys are not available in the Applicable Debt Service Reserve Fund and the amount required to be withdrawn from the Applicable Debt Service Reserve Fund pursuant to this subdivision cannot be withdrawn therefrom without obtaining payment under such Reserve Fund Facility; provided further, that, if more than one Reserve Fund Facility is held for the credit of the Applicable Debt Service Reserve Fund at the time moneys are to be withdrawn therefrom, the Trustee shall obtain payment under each such Reserve Fund Facility, pro rata, based upon the respective amounts then available to be paid thereunder. The Trustee shall provide notification as set forth in Section 5.06(2) hereof of any withdrawal of moneys from the Debt Service Reserve Fund or payment of a Reserve Fund Facility immediately upon such withdrawal or payment.

With respect to any demand for payment under any Reserve Fund Facility, the Trustee shall make such demand for payment in accordance with the terms of such Reserve Fund Facility at the earliest time provided therein to assure the availability of moneys on the interest payment date for which such moneys are required.

3. (a) Moneys and investments held for the credit of an Applicable Debt Service Reserve Fund in excess of the Applicable Debt Service Reserve Fund Requirement, upon direction of an Authorized Officer of the Authority, shall be withdrawn by the Trustee and (i) deposited in the Applicable Arbitrage Rebate Fund, the Applicable Debt Service Fund or the Applicable Construction Fund, (ii) paid to the Applicable Institution or (iii) applied by the Authority to pay the principal or Redemption Price of and interest on bonds of the Authority issued in connection with the Applicable Institution pursuant to resolutions other than the Resolution, in accordance with such direction; provided, however, with respect to Bonds the interest on which is intended to be excludable from gross income for federal income tax purposes, that no such amount shall be withdrawn and deposited, paid or applied unless in the opinion of Bond Counsel such deposit, payment or application will not adversely affect the exclusion of interest on any such Bonds from gross income for federal income tax purposes.

(b) Notwithstanding the provisions hereof, if, upon a Bond having been deemed to have been paid in accordance with Section 12.01 hereof or redeemed prior to maturity from the proceeds of Bonds, bonds, notes or other obligations issued for such purpose, the moneys and investments held for the credit of the Applicable Debt Service Reserve Fund will exceed the Applicable Debt Service Reserve Fund Requirement, then the Trustee shall, simultaneously with such redemption or a deposit made in accordance with Section 12.01 hereof, withdraw all or any portion of such excess from the Applicable Debt Service Reserve Fund upon the direction of an Authorized Officer of the Authority and either (i) apply such amount to the payment of the principal or Redemption Price of and interest on such Bond in accordance with the irrevocable instructions of the Authority or (ii) fund any reserve for the payment of the principal and sinking fund installments of or interest on the bonds, notes or other obligations, if any, issued to provide for payment of such Bond if, in the opinion of Bond Counsel, application of such moneys to the use authorized in this clause (ii) will not adversely affect the exclusion of interest on any Applicable Bonds from gross income for federal income tax purposes, or (iii) pay such amount to the Authority for deposit to the Applicable Construction Fund if, in the opinion of Bond Counsel, application of such moneys to the payment of Costs of the Project(s) will not adversely affect the exclusion of interest on any Bonds from gross income for federal income tax purposes; provided that after such withdrawal the amount remaining in the Applicable Debt Service Reserve Fund shall not be less than the Applicable Debt Service Reserve Fund Requirement, if any.

4. If upon a valuation, the moneys, investments and Reserve Fund Facilities held for the credit of an Applicable Debt Service Reserve Fund for an Applicable Series of Bonds are less than the Applicable Debt Service Reserve Fund Requirement, the Trustee shall immediately notify the Authority and the Applicable Institution of such deficiency and such Institution shall, as soon as practicable, but in no event later than five (5) days after receipt of such notice, deliver to the Trustee moneys, Government Obligations, Federal Agency Obligations, Exempt Obligations or Reserve Fund Facilities the value of which is sufficient to increase the amount in the Debt Service Reserve Fund to the Debt Service Reserve Fund Requirement. If the Applicable Institution has not made timely payment, the Trustee shall immediately notify the Authority, the Obligated Group Representative and the Master Trustee of such non-payment and shall seek payment under the Applicable Obligation in accordance with the terms thereof.

Section 5.08 Arbitrage Rebate Fund. The Trustee for a Series of Tax-Exempt Bonds shall deposit to the appropriate account in the Applicable Arbitrage Rebate Fund any moneys delivered to it by the Applicable Institution for deposit therein and, notwithstanding any other provisions of this Article V,

shall transfer to the Applicable Arbitrage Rebate Fund, in accordance with the directions of the Authority, moneys on deposit in any other funds held by such Trustee hereunder at such times and in such amounts as shall be set forth in such directions.

Moneys on deposit in the Applicable Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of the Authority to make payments to the Department of the Treasury of the United States of America at such times and in such amounts as the Authority shall determine to be required by the Code to be rebated to the Department of the Treasury of the United States of America. Moneys which the Authority determines to be in excess of the amount required to be so rebated shall be deposited to any Applicable Fund in accordance with the directions of the Authority.

If and to the extent required by the Code, the Authority shall periodically, at such times as may be required to comply with the Code, determine the amount of Excess Earnings with respect to each Applicable Series of Bonds and direct the Trustee to (i) transfer from any other of the Applicable funds held by the Trustee hereunder and deposit to the Applicable Arbitrage Rebate Fund, all or a portion of the Excess Earnings with respect to such Series of Bonds and (ii) pay out of the Applicable Arbitrage Rebate Fund to the Department of the Treasury of the United States of America the amount, if any, required by the Code to be rebated thereto.

**Section 5.09 Application of Moneys in Certain Funds for Retirement of Bonds.** Notwithstanding any other provisions hereof, if at any time (i) the amounts held in the Applicable Debt Service Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of a Series and the interest accrued and unpaid and to accrue on such Bonds to the next date of redemption when all such Bonds are redeemable, (ii) the amounts held in the Applicable Debt Service Reserve Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of the Series secured thereby and the interest accrued and unpaid and to accrue on such Bonds to the next date on which such Bonds may be redeemed or (iii) in either case, to make provision pursuant to Section 12.01(2) hereof for the payment of such Outstanding Bonds at the maturity or redemption dates thereof, the Trustee shall so notify the Authority and the Applicable Institution(s). Upon receipt of such notice, the Authority may (i) direct the Trustee in writing to redeem all such Outstanding Bonds of the Applicable Series, whereupon the Trustee shall proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds hereby and by the Applicable Series Resolution as provided in Article IV hereof, or (ii) give the Trustee irrevocable instructions in accordance with of Section 12.01(2) hereof and make provision for the payment of such Outstanding Bonds at the maturity or redemption dates thereof in accordance with such instruction.

**Section 5.10 Transfer of Investments.** Whenever moneys in any Applicable fund established hereunder or under an Applicable Series Resolution authorizing a Series of Bonds are to be paid to another such fund, such payment may be made, in whole or in part, by transferring to such other fund investments held as part of the fund from which such payment is to be made, whose value, together with the moneys, if any, to be transferred, is at least equal to the amount of the payment then to be made, provided that no such transfer of investments would result in a violation of any investment standard or guideline applicable to such fund.

**Section 5.11 Computation of Assets of Certain Funds.** The Trustee of a Series of Bonds, as promptly as practicable (i) after the end of each calendar month, (ii) upon the request of the Authority, (iii) upon the request of an Applicable Institution or the Obligated Group Representative, but not more frequently than once a calendar month, and (iv) at such other times as may be necessary in connection with a withdrawal and deposit made pursuant to Sections 5.04, 5.05, 5.06, 5.07, 5.08 or 5.09 hereof, shall compute the value of the assets in the Applicable Debt Service Reserve Fund, in the case of the requirement under (i) above, on the last day of each such month, in the case of a request pursuant to (ii) or

(iii) above, at the date of such request, or, in the case of a withdrawal and deposit, at the date of such withdrawal and deposit, and notify the Authority and the Applicable Institution or Obligated Group as to the results of such computation and the amount by which the value of the assets in the Applicable Debt Service Reserve Fund exceeds or is less than the Applicable Reserve Fund Requirement.

## ARTICLE VI

### SECURITY FOR DEPOSITS AND INVESTMENTS OF FUNDS

Section 6.01 Security for Deposits. All moneys held hereunder by the Trustee of a Series of Bonds shall be continuously and fully secured, for the benefit of the Authority and the Holders of the Applicable Series of Bonds, by direct obligations of the United States of America or obligations the principal of and interest on which are guaranteed by the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; provided, however, (a) that if the securing of such moneys is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it shall not be necessary for the Trustee of a Series of Bonds or any Paying Agent of a Series of Bonds to give security for the deposit of any moneys with them pursuant to Section 5.06 or Section 12.01 hereof and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on any Applicable Series of Bonds, or for the Trustee to give security for any moneys which shall be represented by obligations purchased or other investments made under the provisions hereof as an investment of such moneys.

Section 6.02 Investment of Funds Held by the Trustee.

1. Money held hereunder by the Trustee, if permitted by law, shall, as nearly as may be practicable, be invested by the Trustee, upon direction of the Authority given in writing (which direction shall specify the amount thereof to be so invested), in Government Obligations, Federal Agency Obligations or Exempt Obligations; *provided, however,* that each such investment shall permit the money so deposited or invested to be available for use at the times at which the Authority reasonably believes such money will be required for the purposes hereof.

2. In lieu of the investments of money in obligations authorized in subdivision 1 of this Section, the Trustee shall, to the extent permitted by law, upon direction of the Authority given in writing, signed by an Authorized Officer of the Authority, invest money in the Construction Fund or Debt Service Reserve Fund in any Permitted Investment; provided, however, that each such investment shall permit the money so deposited or invested to be available for use at the times at which the Authority reasonably believes such money will be required for the purposes hereof, provided, further, that (x) any Permitted Collateral required to secure any Permitted Investment shall have a market value, determined by the Trustee or its agent periodically, but no less frequently than weekly, at least equal to the amount deposited or invested including interest accrued thereon, (y) the Permitted Collateral shall be deposited with and held by the Trustee or an agent of the Trustee approved by an Authorized Officer of the Authority, and (z) the Permitted Collateral shall be free and clear of claims of any other person.

3. Permitted Investments purchased or other investments made as an investment of moneys in any fund held by the Trustee under the provisions hereof shall be deemed at all times to be a part of such fund and the income or interest earned, profits realized or losses suffered by a fund due to the investment thereof shall be retained in, credited or charged, as the case may be, to such fund unless otherwise provided in the Applicable Series Resolution.

4. In computing the amount in any fund held by the Trustee under the provisions hereof, each Permitted Investment purchased as an investment of moneys therein or held therein shall be valued at par or the market value thereof, plus accrued interest, whichever is lower, except that investments held in the Applicable Debt Service Reserve Fund shall be valued at the market value thereof, plus accrued interest and except that Investment Agreements shall be valued at original cost, plus accrued interest.

5. The Authority, in its discretion, may direct the Trustee to, and the Trustee shall, sell, or present for redemption or exchange any investment held by the Trustee pursuant hereto and the proceeds thereof may be reinvested as provided in this Section. Except as otherwise provided herein, the Trustee shall sell at the best price obtainable, or present for redemption or exchange, any investment held by it pursuant hereto whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the fund in which such investment is held. The Trustee shall advise the Authority and the Institution in writing, on or before the fifteenth (15th) day of each calendar month, of the amounts required to be on deposit in each fund and account hereunder and of the details of all investments held for the credit of each fund in its custody under the provisions hereof as of the end of the preceding month and as to whether such investments comply with the provisions of subdivisions 1, 2 and 3 of this Section. The details of such investments shall include the par value, if any, the cost and the current market value of such investments as of the end of the preceding month. The Trustee shall also describe all withdrawals, substitutions and other transactions occurring in each such fund in the previous month.

6. No part of the proceeds of any Applicable Series of Bonds or any other funds of the Authority shall be used directly or indirectly to acquire any securities or investments the acquisition of which would cause any Bond which is a Tax-Exempt Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code.

7. In the event the Applicable Series of Bonds are supported by a Credit Facility, amounts drawn under a Credit Facility and Available Moneys and amounts being held to become Available Moneys and the earnings thereon shall not be invested in any obligation of the Authority or the Institution.

**Section 6.03 Liability for Investments.** Neither the Authority nor any Trustee shall have any liability arising out of or in connection with the making of any investment authorized by the provisions of this Article VI, in the manner provided in this Article VI, for any depreciation in value of any obligation, or for any loss, direct or indirect, resulting from any investment.

## ARTICLE VII

### PARTICULAR COVENANTS

The Authority covenants and agrees with the Holders of Bonds of each Applicable Series of Bonds as follows; provided, however, that such covenants and agreements shall accrue to the benefit of Bondholders on a Series by Series basis, and the Bondholders of any Applicable Series shall not be entitled to the benefit of any of the covenants except to the extent they relate to such Series.

**Section 7.01 Payment of Principal and Interest.** The Authority shall pay or cause to be paid the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on every Bond of each Applicable Series on the date and at the places and in the manner provided in such Bonds according to the true intent and meaning thereof.

**Section 7.02 Extension of Payment of Bonds.** The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds of an Applicable Series or claims for

interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and, in case the maturity of any of such Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefit hereof or of any Applicable Series Resolution or to any payment out of any assets of the Authority or the funds (except funds held in trust for the payment of particular Bonds of an Applicable Series or claims for interest pursuant hereto and to any Applicable Series Resolution) held by the Trustee, except subject to the prior payment of the principal of all Outstanding Bonds of such Applicable Series the maturity of which has not been extended and of such portion of the interest on such Bonds as shall not be represented by such claims for interest. Nothing herein shall be deemed to limit the right of the Authority to issue Refunding Bonds as permitted hereby and by the Act and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds of an Applicable Series to be refunded.

**Section 7.03 Powers as to Bonds of an Applicable Series and Pledge.** The Authority is duly authorized under the Act and all applicable laws to create and issue the Bonds of each Applicable Series, to adopt this Resolution and each Applicable Series Resolution and to pledge the proceeds from the sale of such Bonds, the Revenues, the Applicable Obligation, and all funds established hereby which are pledged hereby, in the manner and to the extent provided herein and in the Applicable Series Resolution. The Authority further covenants that the proceeds from the sale of each Applicable Series of Bonds, the Revenues, the Applicable Obligation, and all funds established hereby and pursuant to the Applicable Series Resolution are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto, prior to, or of equal rank with, the pledge created hereby and pursuant to the Applicable Series Resolution except as may otherwise be permitted in the Applicable Loan Agreement. The Authority further represents that the Bonds of each Applicable Series and the provisions hereof and of each Applicable Series Resolution are and shall be the valid and legally enforceable obligations of the Authority in accordance with their terms and the terms hereof and of each Applicable Series Resolution. The Authority further covenants that it shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues, the Applicable Obligation, and all funds established hereby which are pledged hereby and by the Applicable Series Resolution and all of the rights of the Holders of the Applicable Series of Bonds under the Resolution and the Applicable Series Resolution against all claims and demands of all persons whomsoever.

**Section 7.04 Further Assurance.** The Authority, at any and all times, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and the Revenues hereby and pursuant to the Applicable Series Resolution pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

**Section 7.05 Accounts and Audits.** The Authority shall keep proper books of record and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Applicable Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Authority, shall be subject to the inspection of the Obligated Group or the Applicable Institution, the Trustee, any Applicable Credit Facility Issuer or any Holder of a Bond of an Applicable Series or such Holder's representative duly authorized in writing. The Trustee shall annually prepare a report which shall be furnished to the Authority and each Facility Provider, if any, each Applicable Credit Facility Issuer, if any, and the Obligated Group. Such report shall include at least, a statement of all funds (including investments thereof) held by the Trustee and the Authority pursuant to the provisions hereof and of each Applicable Series Resolution; a statement of the Revenues collected in connection herewith and with each Applicable Series Resolution; and complete and correct entries of the Authority's transactions relating to each Series of Bonds. A copy of such report shall, upon receipt of a

written request therefore, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond or any beneficial owner of a Book Entry Bond requesting the same.

**Section 7.06 Enforcement of Duties and Obligations of the Institution.** The Authority shall take all legally available action to cause an Applicable Institution to perform fully all of the respective duties and acts and comply fully with the covenants of such Applicable Institution required by the Applicable Loan Agreement in the manner and at the times provided in such Loan Agreement relating to a Series of Bonds; provided, however, that the Authority may delay, defer or waive enforcement of one or more provisions of said Loan Agreement relating to a Series of Bonds (other than provisions requiring the payment of moneys or the delivery of Securities to the Trustee for deposit to any fund or account established hereunder) if the Authority determines such delay, deferment or waiver will not materially adversely affect the interests of the Holders of the Bonds of an Applicable Series or the Applicable Credit Facility Issuer.

**Section 7.07 Deposit of Certain Moneys in the Construction Fund.** In addition to the proceeds of Bonds of an Applicable Series to be deposited in the Applicable Construction Fund, any moneys paid or letter of credit or other security payable to the Authority for the acquisition, construction, reconstruction, renovation or equipment of an Applicable Project(s) and any moneys received in respect of damage to or condemnation of such Project(s) shall be deposited in the Applicable Construction Fund, except as otherwise provided in a Series Resolution.

**Section 7.08 Offices for Payment and Registration of Bonds.** The Authority shall at all times maintain an office or agency in the State where Bonds of an Applicable Series may be presented for payment. The Authority may, pursuant to an Applicable Supplemental Resolution or Series Resolution or pursuant to a resolution adopted in accordance with Section 8.02 hereof, and subject to the consent of the Applicable Credit Facility Issuer, designate an additional Paying Agent or Paying Agents where Bonds of an Applicable Series authorized thereby or referred to therein may be presented for payment. The Authority shall at all times maintain an office or agency in the State where Bonds of an Applicable Series may be presented for registration, transfer or exchange and the Trustee is hereby appointed as its agent to maintain such office or agency for the registration, transfer or exchange of such Bonds. The provisions of this Section shall be subject to the provisions of Section 3.01 hereof.

**Section 7.09 Amendment of Loan Agreements.** The Authority may not amend, change, modify, alter or terminate a Loan Agreement so as to materially adversely affect the interest of the Holders of Outstanding Bonds without the prior written consent of the Holders of at least a majority in aggregate principal amount of the Bonds then Outstanding or in case less than all of the several Series of Bonds then Outstanding are affected by the modifications or amendments, the Holders of not less than a majority in aggregate principal amount of the Bonds of each Series so affected then Outstanding; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any such specified Series remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section; provided, further, that no such amendment, change, modification, alteration or termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds the consent of the Holders of which is a requirement for any such amendment, change, modification, alteration or termination, or decrease the amount of any payment required to be made by an Applicable Institution under its Applicable Loan Agreement that is to be deposited with the Trustee or extend the time of payment thereof or reduce the amount of any payment required to be made under the Obligations held by the Authority. A Loan Agreement may be amended, changed, modified or altered without the consent of the Trustee and the Holders of Outstanding Bonds to provide necessary changes in connection with the acquisition, construction, reconstruction, rehabilitation and improvement, or otherwise providing, furnishing and equipping, of any

facilities constituting a part of the Applicable Projects or which may be added to or adjacent to the Applicable Projects or the issuance of Bonds, to cure any ambiguity, or to correct or supplement any provisions contained in an Applicable Loan Agreement, which may be defective or inconsistent with any other provisions contained herein or in the Loan Agreement. Notwithstanding anything in this Section 7.09 to the contrary, if an Applicable Loan Agreement expressly provides for the consent of any other person or entity to an amendment to such Loan Agreement, such consent shall be required to be obtained as provided in such Loan Agreement. Prior to execution by the Authority of any amendment, a copy thereof certified by an Authorized Officer of the Authority shall be filed with the Trustee.

For the purposes of this Section, a Series shall be deemed to be adversely affected by an amendment, change, modification or alteration of an Applicable Loan Agreement if the same adversely affects or diminishes the rights of the Holders of the Bonds of the Applicable Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, Bonds of any Applicable Series would be adversely affected in any material respect by any amendment, change, modification or alteration, and any such determination shall be binding and conclusive on an Applicable Institution, the Members of the Obligated Group, the Authority and all Holders of Bonds.

For all purposes of this Section, the Trustee shall be entitled to rely upon an opinion of counsel, which counsel shall be satisfactory to the Trustee, with respect to whether any amendment, change, modification or alteration adversely affects the interests of any Holders of Bonds then Outstanding in any material respect.

**Section 7.10 Notice as to Event of Default Under Loan Agreement.** The Authority shall notify the Trustee and any Applicable Credit Facility Issuer in writing that an “Event of Default” under a Loan Agreement, as such term is defined in such Loan Agreement, has occurred and is continuing, which notice shall be given within five (5) days after the Authority has obtained actual knowledge thereof.

**Section 7.11 Tax Exemption: Rebates.** Except as otherwise provided in an Applicable Series Resolution, in order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Tax-Exempt Bonds of each Applicable Series, the Authority shall comply with the provisions of the Code applicable to the Bonds of each Applicable Series of Tax-Exempt Bonds, including without limitation the provisions of the Code relating to the computation of the yield on investments of the Gross Proceeds of each Applicable Series of Bonds, reporting of earnings on the Gross Proceeds of each Applicable Series of Bonds and rebates of Excess Earnings to the Department of the Treasury of the United States of America. Except as otherwise provided herein the Authority shall comply with the letter of instructions as to compliance with the Code with respect to each such Series of Bonds, to be delivered by Bond Counsel at the time the Bonds of an Applicable Series are issued, as such letter may be amended from time to time, as a source of guidance for achieving compliance with the Code.

The Authority shall not take any action or fail to take any action, which would cause the Bonds of an Applicable Series to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

Notwithstanding any other provision hereof to the contrary, the Authority’s failure to comply with the provisions of the Code applicable to the Bonds of an Applicable Series shall not entitle the Holder of Bonds of any other Applicable Series, or the Trustee acting on their behalf, to exercise any right or remedy provided to Bondholders hereunder based upon the Authority’s failure to comply with the provisions of this Section or of the Code.

Section 7.12 General. The Authority shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Authority under the provisions hereof in accordance with the terms of such provisions.

Upon the date of issuance of the Bonds of an Applicable Series, all conditions, acts and things required by the statutes of the State and hereby to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds, shall exist, have happened and have been performed and the issuance of such Bonds, together with all other indebtedness of the Authority, shall be within every debt and other limit prescribed by the laws of the State.

## ARTICLE VIII

### CONCERNING THE TRUSTEE

Section 8.01 Appointment and Acceptance of Trustee. The Authority, prior to the delivery of Bonds of an Applicable Series, shall appoint a Trustee by or in the manner provided in this Resolution or in the Applicable Series Resolution or Bond Series Certificate. The Trustee shall also serve as Applicable Paying Agent. The Trustee shall signify its acceptance of the duties and obligations of Trustee and Paying Agent imposed upon it hereby by written instrument or acceptance delivered to the Authority. The Trustee shall serve in such capacity for each series of Bonds separate and apart from its capacity as Trustee for any other Series of Bonds, and any action taken by the Trustee with respect to a Series of Bonds is governed by the Trustee's rights, privileges and obligations associated with only the Applicable series of Bonds for which the Trustee is taking the action as defined herein and in the Applicable Series Resolution and Applicable Bond Series Certificate.

Section 8.02 Appointment and Acceptance of Paying Agents. In addition to the Trustee who shall also serve as the Applicable Paying Agent, the Authority may appoint one or more Paying Agents for the Bonds of any Applicable Series in the Applicable Series Resolution authorizing such Series of Bonds or in the manner provided in such Series Resolution or shall appoint such Paying Agent or Paying Agents by resolution of the Authority and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 8.13 hereof for the appointment of a successor Paying Agent. Each such Paying Agent shall signify its acceptance of the duties and obligations imposed upon it hereby by written instrument of acceptance deposited with the Authority and the Trustee.

Section 8.03 Responsibilities of Trustee and Paying Agents. The recitals of fact contained herein and in each Applicable Series Resolution and in the Bonds of an Applicable Series shall be taken as the statements of the Authority and neither the Trustee nor any Paying Agent assumes any responsibility for the correctness of the same. Neither the Trustee nor any Paying Agent makes any representations as to the validity or sufficiency hereof, of any Applicable Series Resolution or of any Bonds of an Applicable Series, or in respect of the security afforded hereby or by each Applicable Series Resolution, and neither the Trustee nor any Paying Agent shall incur any responsibility in respect thereof. Neither the Trustee nor any Paying Agent shall be under any responsibility or duty with respect to: (i) the issuance of such Bonds for value; (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee or Paying Agent; or (iii) the application of any moneys paid to the Authority or others in accordance herewith and with each Applicable Series Resolution except as to the application of any moneys paid to it in its capacity as Trustee or Paying Agent. Neither the Trustee nor any such Applicable Paying Agent shall be liable in connection with the performance of its duties hereunder and under each Series Resolution except for its own negligence or willful misconduct.

The duties and obligations of the Trustee and any Paying Agent shall be determined by the express provisions hereof and of each Applicable Series Resolution and neither the Trustee nor any Paying Agent shall be liable except for the performance of such duties and obligations as are specifically set forth herein and in each Applicable Series Resolution.

The Trustee shall not be deemed to have notice of an event of default hereunder, other than an event of default under Section 11.02(a) or Section 11.02(b) hereof, unless it has received actual notice and the Trustee shall assume such event of default shall be continuing until it has received actual notice to the contrary.

Neither the Trustee nor any Paying Agent shall be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it hereby or by any Applicable Series Resolution.

**Section 8.04 Property Held in Trust.** All moneys and Securities conveyed to or held by the Trustee for each Series of Bonds, except for amounts held in the Applicable Arbitrage Rebate Fund and the Applicable Credit Facility Repayment Fund, if any, at any time pursuant to the terms hereof and of each Applicable Series Resolution shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions hereof and of each Series Resolution.

The Trustee shall hold all moneys in the Applicable Arbitrage Rebate Fund and the Applicable Credit Facility Repayment Fund, if any, as the agent of the Authority and shall not disburse amounts therefrom except pursuant to the written instructions of the Authority.

**Section 8.05 Evidence on Which Fiduciaries May Act.** The Trustee and any Paying Agent for each Series of Bonds shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it in good faith to be genuine, and to have been signed or presented by the proper party or parties. The Trustee and any Paying Agent may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

Whenever the Trustee or any Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder and under an Applicable Series Resolution, such matter (unless other evidence in respect thereof be specifically prescribed hereby) may be deemed to be conclusively proved and established by a certificate of the Authority or, with the permission of the Authority, signed by an Authorized Officer of the Obligated Group. Such certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof and of the Applicable Series Resolution upon the faith thereof, but in its discretion the Trustee or any Paying Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein and in each Applicable Series Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof and of any Applicable Series Resolution by the Authority to the Trustee or any Paying Agent shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Resolution and delivered using facsimile or email ("Electronic Means"); provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be

amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit, or direct the transmission of, such Instructions to the Trustee and that the Authority is solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding whether such directions conflict or are inconsistent with a subsequent written instruction. The Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

**Section 8.06 Compensation.** Unless otherwise provided by contract with the Trustee or any Paying Agent, the Authority shall pay to each Trustee and to each Paying Agent, from time to time, reasonable compensation for all services rendered by it hereunder and under the Applicable Series Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties hereunder and under the Applicable Series Resolution, and each Trustee and Paying Agent shall have a lien therefor on any and all funds at any time held by it hereunder and under the Applicable Series Resolution (other than the Applicable Arbitrage Rebate Fund and the Applicable Credit Facility Repayment Fund, if any, any moneys derived from a drawing upon any Credit Facility and, in the event a Series of Bonds is secured by a Credit Facility, Available Moneys) prior to any of the Bonds for which such services have been rendered; provided, however, that neither the Trustee nor any Paying Agent shall be entitled to compensation for any expenses, charges, counsel fees or other disbursements incurred in connection with or incident to its resignation or its removal by the Holders of Bonds or by a court of competent jurisdiction as provided in Section 8.09 or 8.13 hereof, whether or not the same were incurred in or about the performance of its powers and duties hereunder or under a Series Resolution in connection with its resignation or removal. The Authority shall indemnify and save the Trustee and each Applicable Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and under the Applicable Series Resolution and which are not due to its negligence or willful misconduct. None of the provisions contained herein or in any such Applicable Series Resolution shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any or its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it. The Trustee shall not be required to take any action at the request or direction given pursuant to Article XI hereof, unless and until the Trustee shall have been indemnified and held harmless against any liabilities and all reasonable expenses, charges, counsel fees and other disbursements, including those of the Trustee's attorneys, agents and employees, incurred in connection with or as a result of taking the action requested or directed to be taken which are not due to the Trustee's own negligence or willful misconduct.

Section 8.07 Permitted Acts. The Trustee and any Paying Agent may become the owner of or may deal in Bonds of an Applicable Series as fully and with the same rights as if it were not such Trustee or Paying Agent. The Trustee and any Paying Agent may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the Authority or any committee formed to protect the rights of Holders of Bonds of an Applicable Series or to effect or aid in any reorganization growing out of the enforcement hereof or of such Bonds or any Applicable Series Resolution whether or not such committee shall represent the Holders of a majority in principal amount of the Outstanding Bonds of an Applicable Series in respect of which any such action is taken.

Section 8.08 Resignation of Trustee. The Trustee of a Series of Bonds, or any successor thereof, may at any time resign and be discharged of its duties and obligations hereunder and under an Applicable Series Resolution by giving not less than sixty (60) days written notice to the Authority and giving notice thereof not later than ten (10) days after giving notice to the Authority, by first class mail postage prepaid to the Applicable Credit Facility Issuer, if any, and the registered owners of Bonds of the Applicable Series at their last known address, if any, appearing on the registration books of the Authority, specifying the date when such resignation shall take effect. Such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed as provided in Section 8.10 hereof, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, that such resignation shall not take effect until a successor Trustee has been appointed and has accepted such appointment pursuant to Section 8.10 hereof. The Authority shall give the Obligated Group and the Applicable Institution written notice of the resignation of such Applicable Trustee.

Section 8.09 Removal of Trustee. The Trustee of a Series of Bonds, or any successor thereof, may be removed as to an Applicable Series at any time by the Holders of a majority in principal amount of the Outstanding Bonds of such Series, with the prior written consent of the Applicable Credit Facility Issuer, if any, excluding any Bonds of such Series held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to the Authority; provided that no such removal shall take effect until a successor Trustee has been appointed. Copies of each such instrument providing for any such removal shall be delivered by the Authority to such Trustee and any successor thereof. The Trustee, or any successor thereof, may also be removed as to an Applicable Series at any time (i) upon the direction of the Authority, at the request of the Obligated Group, so long as the Applicable Institution or Obligated Group is not then in default, or (2) for cause or any breach of trust or for acting or proceeding in violation of, or failing to act or proceed in accordance with, any provisions hereof or of the Applicable Series Resolution with respect to the duties and obligations of the Trustee by any court or competent jurisdiction upon application by the Authority, the Credit Facility Issuer or the Holders of not less than twenty per centum (20%) in aggregate principal amount of Bonds then Outstanding of such Applicable Series; provided that no such removal shall take effect until a successor Trustee has been appointed. A copy of each instrument or order providing for the removal of the Trustee, or any successor thereof, shall be delivered by the Authority to the Trustee or such successor thereof. The Authority shall give written notice of the removal of the Trustee to the Obligated Group and each Credit Facility Issuer.

Section 8.10 Successor Trustee. In case the Trustee of an Applicable Series, or any successor thereof, shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the Authority shall forthwith appoint a Trustee to act as Trustee and Applicable Paying Agent. Copies of any instruments of the Authority providing for any such appointment shall be delivered by the Authority to the Trustee so appointed, the predecessor Trustee, the Credit Facility Issuer and the Obligated Group Representative. The Authority shall publish notice of any such appointment at least once in an

Authorized Newspaper, the first publication to be made within twenty (20) days after such appointment. In lieu of publication in an Authorized Newspaper, the Authority may satisfy the requirements of this Section 8.10 by (i) posting, or causing the Institution to post the appointment of such successor Trustee on the Electronic Municipal Market Access portal of the Municipal Securities Rulemaking Board to all applicable CUSIP numbers (if any) and (ii) causing notice of the appointment of such successor Trustee to be sent to the Holders of the applicable Bonds through the facilities of the Depository.

If no appointment of a successor shall be made within forty-five (45) days after the giving of written notice in accordance with Section 8.08 hereof or after the occurrence of any other event requiring or authorizing such appointment, the Trustee, the Applicable Credit Facility Issuer or any Holder of a Bond of such Series may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor.

Any successor appointed under the provisions of this Section shall be a bank located in the State having trust powers or a trust company organized under the laws of the State or national banking association located in the State, in either case having a capital and surplus aggregating at least \$100,000,000, if there be such a bank having trust powers or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms and authorized by law to perform all the duties required hereby and by the Applicable Series Resolution.

**Section 8.11 Transfer of Rights and Property to Successor Trustee.** Any successor appointed under the provisions of Section 8.10 hereof shall execute, acknowledge and deliver to its predecessor, and also to the Authority, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of its predecessor hereunder and under the Applicable Series Resolution, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request by the Authority or of such successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of such Trustee in and to any property held by it hereunder and under the Applicable Series Resolution, and shall pay over, assign and deliver to such successor any moneys or other properties subject to the trusts and conditions set forth herein, including without limitation, the transfer of any Credit Facility in accordance with the terms thereof immediately upon the successor Trustee's acceptance of such appointment. Should any deed, conveyance or instrument in writing from the Authority be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority.

**Section 8.12 Merger or Consolidation of the Trustee.** Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger or consolidation to which it shall be a party or any company to which such Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank having trust powers or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 8.10 hereof, shall be the successor to such Trustee, without any further act, deed or conveyance.

**Section 8.13 Resignation or Removal of the Paying Agents and Appointment of Successors.** Any Paying Agent (other than the Trustee of a Series of Bonds) may at any time resign and be discharged of the duties and obligations created hereby and by an Applicable Series Resolution by giving at least

sixty (60) days written notice to the Authority, the Trustee and the Applicable Credit Facility Issuer, if any. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed on behalf of the Authority. Any successor Paying Agent shall be appointed by the Authority and (subject to the requirements of Section 7.08 hereof) shall be a bank having trust powers or trust company organized under the laws of any state of the United States of America or a national banking association, in either case having a capital and surplus aggregating at least \$100,000,000, and willing and able to accept the office of Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it hereby and by the Applicable Series Resolution.

In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it to its successor, or if there be no successor then appointed, to the Trustee until such successor be appointed. The Authority shall give written notice of the resignation or removal of any Paying Agent of any Applicable Series of Bonds to the Obligated Group and each Applicable Credit Facility Issuer.

Section 8.14 Amortization Schedule. Upon the request of the Authority, the Applicable Credit Facility Issuer or an Authorized Officer of the Obligated Group or an Applicable Institution, the Trustee shall prepare a schedule setting forth as at the date of such schedule the principal amount of Outstanding Bonds of the Applicable Series, the dates on which the principal and Sinking Fund Installments, if any, of and interest on, all Outstanding Bonds of the Applicable Series other than Variable Interest Rate Bonds, are payable, the amount payable on each such date for the principal and Sinking Fund Installments, if any, of and interest on Outstanding Bonds of the Applicable Series exclusive of interest payable on Variable Rate Bonds.

## ARTICLE IX

### SERIES RESOLUTIONS AND SUPPLEMENTAL RESOLUTIONS

Section 9.01 Adoption and Filing. The Authority may adopt at any time or from time to time an Applicable Series Resolution to authorize the issue of an Applicable Series of Bonds as provided in Section 2.02. A copy of each such Applicable Series Resolution relating to a Series of Bonds, together with a copy of this Resolution, each certified by the Authority, shall be filed with the Trustee.

Section 9.02 Modification and Amendment Without Consent. Notwithstanding any other provisions of this Article IX or Article X hereof, the Authority may adopt at any time or from time to time, Supplemental Resolutions for any one or more of the following purposes, and any such Supplemental Resolution shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by the Authority:

(a) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds of an Applicable Series, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained herein;

(b) To prescribe further limitations and restrictions upon the issuance of Bonds of an Applicable Series and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(c) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms hereof, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained herein;

(d) To confirm, as further assurance, any pledge under, and the subjection to any lien, claim or pledge created or to be created by the provisions of, the Resolution, the Master Indenture, or any Applicable Series Resolution, the Revenues, or any pledge of any other moneys, Securities or funds;

(e) To modify any of the provisions hereof or of any previously adopted Applicable Series Resolution in any other respects, provided that such modifications shall not be effective until after all Bonds of an Applicable Series of Bonds Outstanding as of the date of adoption of such Supplemental Resolution shall cease to be Outstanding, and all Bonds of an Applicable Series issued under an Applicable Series Resolution shall contain a specific reference to the modifications contained in such subsequent resolutions;

(f) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision herein or to insert such provisions clarifying matters or questions arising hereunder as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent herewith as theretofore in effect, or to modify any of the provisions hereof or of any previously adopted Applicable Series Resolution or Applicable Supplemental Resolution in any other respect, provided that such modification shall not adversely affect the interests of the Holders of Bonds of an Applicable Series or Applicable Credit Facility Issuer in any material respect;

(g) Upon any mandatory tender and remarketing of Variable Rate Bonds, to modify or amend any provision hereof or an Applicable Series Resolution which modification or amendment shall be effective only with respect to the Series of Variable Interest Rate Bonds subject to such mandatory tender and remarketing, provided that the substance of such modification or amendment was disclosed to prospective Holder in the offering document prepared in connection with such mandatory tender and remarketing.

**Section 9.03 Applicable Supplemental Resolutions Effective With Consent of Bondholders.**  
The provisions hereof and an Applicable Series Resolution may also be modified or amended at any time or from time to time by an Applicable Supplemental Resolution, subject to the consent of the Applicable Bondholders and Applicable Credit Facility Issuer in accordance with and subject to the provisions of Article X hereof, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by the Authority.

**Section 9.04 General Provisions Relating to Applicable Series Resolutions and Supplemental Resolutions.** The Resolution shall not be modified or amended in any respect except in accordance with and subject to the provisions of this Article IX and Article X hereof. Nothing contained in this Article 9 or Article X hereof shall affect or limit the rights or obligations of the Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of Section 7.04 hereof or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere herein provided or permitted to be delivered to the Trustee or any Paying Agent.

A copy of every Applicable Series Resolution and Applicable Supplemental Resolution adopted by the members of the Authority, when filed with the Trustee thereunder, shall be accompanied by an opinion of Applicable Bond Counsel stating that such Applicable Series Resolution or Applicable Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions hereof, is authorized or permitted hereby and is valid and binding upon the Authority and enforceable in accordance with its terms.

The Trustee is hereby authorized to accept delivery of a certified copy of any Applicable Series Resolution or Applicable Supplemental Resolution permitted or authorized pursuant to the provisions hereof and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on the opinion of Bond Counsel that such Applicable Series Resolution or Applicable Supplemental Resolution is authorized or permitted by the provisions hereof.

No Applicable Series Resolution or Applicable Supplemental Resolution changing, amending or modifying any of the rights or obligations of the Trustee or of any Paying Agent, shall become effective without the written consent of the Trustee or Paying Agent affected thereby.

So long as there is no then current event of default under the Loan Agreement, no Applicable Series Resolution or Applicable Supplemental Resolution changing, amending or modifying any rights or obligations of the Institution, shall become effective without the written consent of the Institution.

## ARTICLE X

### AMENDMENTS OF RESOLUTION

Section 10.01 Powers of Amendment. Any modification or amendment hereof and of the rights and obligations of the Authority which shall be deemed to affect an Applicable Series of Bonds and of the Holders of the Bonds of such Applicable Series hereunder, in any particular, may be made by an Applicable Supplemental Resolution, with the prior written consent given as hereinafter provided in Section 10.02 hereof, (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding of an Applicable Series at the time such consent is given, or (ii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the Applicable Series, maturity and interest rate entitled to such Sinking Fund Installment Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any Applicable Series and maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond of an Applicable Series or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds of an Applicable Series the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of this Section, an Applicable Series shall be deemed to be affected by a modification or amendment hereof if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, the Bonds of an Applicable Series or maturity would be affected by any modification or amendment hereof and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds of an Applicable Series. The Trustee may receive an opinion of counsel, including an opinion of Bond Counsel, as conclusive evidence as to whether the Bonds of an Applicable Series or maturity would be so affected by any such modification or amendment hereof.

Section 10.02 Consent of Bondholders. The Authority may at any time adopt an Applicable Supplemental Resolution making a modification or amendment permitted by the provisions of Section 10.01 hereof to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Holders of the Applicable Series of Bonds affected thereby for their consent thereto in

form satisfactory to the Trustee, shall promptly after adoption be mailed or caused to be mailed by the Trustee at the direction of the Authority to such Bondholders (but failure to mail such copy to any particular Bondholder shall not affect the validity of such Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until there shall have been filed with the Trustee (a) the written consent of such Holders of the percentages of Outstanding Bonds of an Applicable Series specified in Section 10.01 hereof and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions hereof, is authorized or permitted hereby, and is valid and binding upon the Authority and enforceable in accordance with its terms. Each such consent shall be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds of an Applicable Series with respect to which such consent is given, which proof shall be such as is permitted by Section 13.01 hereof. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 13.01 hereof shall be conclusive proof that the consents have been given by the Holders of the Bonds of the Applicable Series described in the certificate or certificates of the Trustee. Any consent given by a Holder of Bonds of an Applicable Series shall be binding upon such Bondholder giving such consent and, anything in Section 13.01 hereof to the contrary notwithstanding, upon any such subsequent Bondholder and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by such Bondholder giving such consent or such subsequent Holder thereof by filing such revocation with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section provided for is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after such Holders of the required percentages of Bonds shall have filed their consents to such Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that such Holders have filed such consents. Such written statement shall be conclusive evidence that such consents have been so filed. At any time thereafter notice, stating in substance that such Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds of each Applicable Series and will be effective as provided in this Section, shall be given to such Bondholders by the Trustee at the direction of the Authority by mailing or causing the mailing of such notice to the Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section provided). A transcript, consisting of the papers required or permitted by this Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Trustee, each Applicable Paying Agent, and the Holders of each Applicable Series of Bonds upon the filing with the Trustee of proof of the mailing of such notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such thirty (30) day period; provided, however, that the Authority, the Trustee and any Paying Agent during such thirty (30) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their reasonable discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

Section 10.03 Modifications by Unanimous Consent. The terms and provisions hereof and the rights and obligations of the Authority and of the Holders of the Bonds of an Applicable Series hereunder may be modified or amended in any respect upon the adoption and filing with the Trustee by the Authority of a copy of such Supplemental Resolution certified by the Authority and the consent of the Holders of all of the Bonds then Outstanding of the Applicable Series, such consent to be given as provided in Section 10.02 hereof, except that no notice to such Bondholders either by mailing or publication shall be required.

Section 10.04 Mailing. Any provision in this Article X for the mailing of a notice or other document to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding of each Applicable Series at such person's address, if any, appearing upon the registry books of the Authority, (ii) to each Applicable Credit Facility Issuer and (iii) to the Trustee.

Section 10.05 Exclusion of Bonds. Bonds of an Applicable Series owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action provided for herein, and the Authority shall not be entitled with respect to such Bonds to give any consent or take any other action provided for herein. At the time of any consent or other action taken hereunder, the Authority shall furnish the Trustee a certificate upon which the Trustee may rely, describing all Bonds of an Applicable Series so to be excluded.

Section 10.06 Notation on Bonds. Bonds of an Applicable Series delivered after the effective date of any action taken as in Article IX hereof or this Article X provided may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding of each Applicable Series at such effective date and upon presentation of such Holder's Bond for such purpose at the principal corporate trust office of the Trustee suitable notation shall be made on such Bond by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds of an Applicable Series so modified as, in the opinion of the Trustee and the Authority, conform to such action shall be prepared and delivered, and upon demand of the Holder of any such Bond then Outstanding shall be exchanged, without cost to such Bondholder, for such Bonds of the same Applicable Series and maturity then Outstanding, upon surrender of such Bonds.

Section 10.07 Credit Facility Issuer as Holder. If an Applicable Credit Facility Issuer has issued a Credit Facility for any Series of Bonds, such Applicable Credit Facility Issuer shall be deemed the Holder of such Bonds for purposes of Article X and such other purposes as may be set forth in the Applicable Series Resolution unless the Applicable Credit Facility Issuer shall then be in default of its obligations under its Credit Facility.

## ARTICLE XI

### DEFUALTS AND REMEDIES

Section 11.01 Trustee to Exercise Powers of Statutory Trustee. The Trustee for each Series of Bonds shall be and hereby is vested with all of the rights, powers and duties of a trustee appointed by Holders of an Applicable Series of Bonds pursuant to Section 1686 of the Act which are not inconsistent with the provisions of the Resolution and the Master Indenture and the right of such Holders to appoint a trustee pursuant to Section 1686 of the Act is hereby abrogated in accordance with the provisions of subdivision 4(g) of Section 1682 of the Act.

Section 11.02 Events of Default. An event of default shall exist hereunder and under an Applicable Series Resolution (herein called "event of default") if:

- (a) With respect to the Applicable Series of Bonds, payment of the principal, Sinking Fund Installments, Purchase Price or Redemption Price of any such Bond shall not be made by the Authority when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) With respect to the Applicable Series of Bonds, payment of an installment of interest on any such Bond shall not be made by the Authority when the same shall become due and payable; or

(c) With respect to the Applicable Series of Tax-Exempt Bonds, the Authority shall default in the due and punctual performance of the covenants contained in Section 7.11 hereof and, as a result thereof, the interest on the Bonds of such Series shall no longer be excludable from gross income under Section 103 of the Code; or

(d) With respect to the Applicable Series of Bonds, the Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions for the benefit of the holders of such Bonds contained herein or in the Bonds of such Series or in the Applicable Series Resolution on the part of the Authority to be performed and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority by the Trustee (unless such default is not capable of being cured within thirty (30) days, the Authority has commenced to cure such default within thirty (30) days and diligently prosecutes the cure thereof), which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Applicable Series with the prior written consent of the Applicable Credit Facility Issuer; or

(e) The Authority shall have notified the Trustee that an "Event of Default", as defined in the Applicable Loan Agreement, arising out of or resulting from the failure of the Applicable Institution to comply with the requirements of the Applicable Loan Agreement shall have occurred and be continuing and all sums payable by the Institution under the Applicable Loan Agreement shall have been declared to be immediately due and payable, which declaration shall not have been annulled.

An event of default under this Resolution in respect of an Applicable Series of Bonds shall not in and of itself be or constitute an event of default in respect of any other Applicable Series of Bonds.

**Section 11.03 Acceleration of Maturity.** Upon the happening and continuance of any event of default specified in Section 11.02 hereof, other than an event of default specified in paragraph (c) of Section 11.02 hereof, then and in every such case the Trustee may with the consent of the Applicable Credit Facility Issuer, if any, and, upon the written request of (i) the Applicable Credit Facility Issuers, if any, or the Holders of not less than fifty percent (50%) in principal amount of an Applicable Series of Outstanding Bonds, with the prior written consent of the Applicable Credit Facility Issuers, if any, or (ii) if one or more Applicable Credit Facility Issuers, if any, have deposited with the Trustee a sum sufficient to pay the principal of and interest on the Applicable Outstanding Bonds due upon the acceleration thereof, upon the request of an Applicable Credit Facility Issuer, if any, or Applicable Credit Facility Issuers, if any, making such deposit, shall: (A) by a notice in writing to the Authority, declare the principal of and interest on all of the Outstanding Bonds of the Applicable Series to be due and payable immediately and (B) request that the Master Trustee declare all applicable Outstanding Obligations (as defined in the Master Indenture) to be immediately due and payable. At the expiration of thirty (30) days after the giving of notice of such declaration, such principal and interest shall become and be immediately due and payable, anything herein or in any Applicable Series Resolution or in the Bonds to the contrary notwithstanding. In the event that an Applicable Credit Facility Issuer shall make any payments of principal of or interest on any Bonds of the Applicable Series pursuant to an Applicable Credit Facility and the Bonds of the Applicable Series are accelerated, such Applicable Credit Facility Issuer may at any time and at its sole option, pay to the Bondholders all or such portion of amounts due under such Bonds of the Applicable Series prior to the stated maturity dates thereof. At any time after the principal of the

Bonds of the Applicable Series shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy hereunder, the Trustee shall, with the prior written consent of Applicable Credit Facility Issuers, if any, which have issued Applicable Credit Facilities for not less than fifty percent (50%) in principal amount of the Applicable Bonds not then due by their terms and then Outstanding, or the Holders of not less than fifty percent (50%) in principal amount of the Applicable Outstanding Bonds, with the prior written consent of the Applicable Credit Facility Issuers, if any, and by written notice to the Authority, annul such declaration and its consequences if: (i) moneys shall have accumulated in the Applicable Debt Service Fund sufficient to pay all arrears of interest, if any, upon all of the Applicable Outstanding Bonds (except the interest accrued on such Bonds since the last interest payment date); (ii) moneys shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and any Paying Agent; (iii) all other amounts then payable by the Authority hereunder and under the Applicable Series Resolution (other than principal amounts payable only because of a declaration and acceleration under this Section) shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained herein or in the Applicable Series Resolution or in the Bonds (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

**Section 11.04 Enforcement of Remedies.** Upon the happening and continuance of any event of default specified in Section 11.02 hereof, then and in every such case, the Trustee of a Series of Bonds may proceed, and upon the written request of the Applicable Credit Facility Issuers, if any, which have issued Applicable Credit Facilities for not less than fifty percent (50%) in principal amount of the Applicable Outstanding Bonds, or of the Holders of not less than fifty percent (50%) in principal amount of the Applicable Outstanding Bonds with the consent of the Applicable Credit Facility Issuers, if any, or, in the case of a happening and continuance of an event of default specified in paragraph (c) of Section 11.02 hereof, upon the written request of the Applicable Holders of not less than fifty percent (50%) in principal amount of the Applicable Outstanding Bonds of the Series affected thereby with the consent of the Applicable Credit Facility Issuer, if any, of such Series of Bonds, shall proceed (subject to the provisions of Section 8.06 hereof), to protect and enforce its rights and the rights of the Bondholders or of such Applicable Credit Facility Issuer, if any, hereunder or under the Applicable Series Resolution or under the laws of the State by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained herein or under the Applicable Series Resolution or in aid or execution of any power herein or therein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy hereunder and under the Applicable Series Resolution, the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Authority for principal or interest or otherwise under any of the provisions of the Resolution or of any Applicable Series Resolution or of the Applicable Series of Bonds, with interest on overdue payments of the principal of or interest on the Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under any Applicable Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Authority but solely as provided herein, in any Applicable Series Resolution and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 11.05 Priority of Payments After Default. If at any time the moneys held by the Trustee in the Applicable funds and accounts and under the Applicable Series Resolution shall not be sufficient to pay the principal of and interest on the Bonds of the Applicable Series as the same become due and payable (either by their terms or by acceleration of maturity under the provisions of Section 11.03 hereof), such moneys together with any moneys then available or thereafter becoming available for such purpose, whether through exercise of the remedies provided for in this Article XI or otherwise, shall be applied (after payment of all amounts owing to the Trustee hereunder) as follows:

(a) Unless the principal of all the Bonds of the Applicable Series shall have become or been declared due and payable, all such moneys shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of such maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to the difference in the respective rates of interest specified in such Bonds; or

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

(b) If the principal of all of the Bonds of the Applicable Series shall have become or been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon such Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond of such Series over any other such Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or preference except as to the difference in the respective rates of interest specified in said Bonds.

The provisions of this Section are in all respects subject to the provisions of Section 7.02 hereof.

Whenever moneys are to be applied by the Trustee of a Series of Bonds pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The setting aside of such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Authority, to any Holder of Bonds of any Applicable Series or to any other person for any delay in applying any such moneys so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions hereof as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be on an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. Any payment to be made by the Trustee pursuant to this

Section on account of the principal or Sinking Fund Installment of or an installment of interest on any Bonds theretofore paid with proceeds of a draw on a Credit Facility shall be made as reimbursement to the Credit Facility Issuer of such Credit Facility.

For the purpose of this Section 11.05, amounts drawn under a Credit Facility shall not be available to satisfy amounts owing to the Trustee.

**Section 11.06 Termination of Proceedings.** In case any proceedings taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee, each Applicable Credit Facility Issuer, if any, each Applicable Facility Provider, if any, the Members of the Obligated Group and the Holders of Bonds of each Applicable Series shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

**Section 11.07 Bondholders' Direction of Proceedings.** Anything herein to the contrary notwithstanding, the Applicable Credit Facility Issuers, if any, or the Holders of not less than fifty percent (50%) in principal amount of the Outstanding Bonds of an Applicable Series with the prior written consent of the Applicable Credit Facility Issuers, if any, or, in the case of an event of default specified in paragraph (c) of Section 11.02 hereof, the Holders of a majority in principal amount of the Outstanding Bonds of the Applicable Series with the prior written consent of the Applicable Credit Facility Issuers, if any, shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder and under the Applicable Series Resolution, provided, such direction shall not be otherwise than in accordance with law or the provisions hereof and of the Applicable Series Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

**Section 11.08 Limitation of Rights of Individual Bondholders.** Neither any Holder nor any Applicable Credit Facility Issuer with respect to any of the Bonds of an Applicable Series shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or under any Applicable Series Resolution, or for any other remedy hereunder unless such Holder or Applicable Credit Facility Issuer previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also such Credit Facility Issuer or the Holders of not less than fifty percent (50%) in principal amount of the Outstanding Bonds of an Applicable Series with the prior written consent of the Applicable Credit Facility Issuer or, in the case of an event of default specified in paragraph (c) of Section 11.02 hereof, the Holders of not less than a majority in principal amount of the Outstanding Bonds of such Series, with the prior written consent of the Applicable Credit Facility Issuer, shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted hereby or to institute such action, suit or proceeding in its or their name, and unless, also there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts hereof or for any other remedy hereunder and thereunder. It is understood and intended that no one (1) or more of the Applicable Credit Facility Issuers of an Applicable Series secured hereby and by an Applicable Series Resolution shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security hereof or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained for the benefit of

all Holders of the Outstanding Bonds of such Series. Notwithstanding any other provision hereof, the Holder of any Bond of an Applicable Series shall have the right which is absolute and unconditional to receive payment of the principal of (or Redemption Price, if any) and interest on such Bond on the stated maturity expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

**Section 11.09 Actions by Trustee; Possession of Bonds by Trustee Not Required.** All rights of action hereunder or under any of the Bonds of an Applicable Series secured hereby and any Applicable Series Resolution, enforceable by the Trustee of a Series of Bonds, may be enforced by it without the possession of any of such Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of the Bonds of such Series to which such action relates, subject to the provisions hereof.

**Section 11.10 Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Trustee, any Applicable Credit Facility Issuers, if any, or the Holders of Bonds of an Applicable Series is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**Section 11.11 Waiver and Non-Waiver of Default.** No delay or omission of the Trustee, any Applicable Credit Facility Issuers, if any, or any Holder of Bonds of an Applicable Series to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein. Every power and remedy given by this Article XI to the Trustee, any Applicable Credit Facility Issuers, if any, and the Holders of Bonds of an Applicable Series, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the Applicable Credit Facility Issuers, if any, or Holders of not less than fifty percent (50%) in principal amount of the Outstanding Bonds of an Applicable Series with the prior written consent of the Applicable Credit Facility Issuers, if any, shall waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof or before the completion of the enforcement of any other remedy hereunder; but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon. The rights of the Applicable Credit Facility Issuers in this Section 11.11 apply only to the extent there is no Credit Facility Default and the full benefit of the Credit Facility remains available.

**Section 11.12 Notice of Event of Default.** The Trustee shall give notice of each event of default hereunder known to the Trustee to each Applicable Credit Facility Issuer and the Holders of Bonds of a Series within thirty (30) days after knowledge of the occurrence thereof, unless such event of default shall have been remedied or cured before the giving of such notice; provided, however, that, except in the case of default in the payment of the principal, Sinking Fund Installments or Redemption Price of, or interest on, any of such Bonds, the Trustee shall be protected in withholding notice thereof to the Holders of such Bonds if and so long as the Trustee in good faith determines that the withholding of such notice is in the best interests of such Holder. Each such notice of event of default shall be given by the Trustee by mailing written notice thereof: (i) to all registered Holders of Bonds of the Applicable Series, as the names and addresses of such Holders appear on the books for registration and transfer of bonds as kept by the Trustee, (ii) to the Obligated Group Representative, (iii) to any Rating Service then maintaining a

rating on such Bonds, (iv) to each Applicable Credit Facility Issuer and (v) to such other persons as is required by law.

**Section 11.13 Credit Facilities.** The Trustee agrees to comply with the provisions of each Applicable Series Resolution and each Applicable Bond Series Certificate in connection with drawing funds under or otherwise making a demand upon any Applicable Credit Facility.

**Section 11.14 Termination of Credit Facility Issuer's Rights.** Whenever by the terms of this Article XI the consent or approval of an Applicable Credit Facility Issuer is required or an Applicable Credit Facility Issuer, alone or together with any other Credit Facility Issuer or the Holders of Bonds of a Series, is authorized to request or direct the Trustee to take any action, such consent or approval shall not be required and the Trustee shall not be obligated to comply with such request or direction if a Credit Facility Default then exists with respect to such Credit Facility. Nothing contained herein shall limit or impair the rights of the Holders of Bonds or other Credit Facility Issuers to give any consent or approval or to request or direct the Trustee to take any action and, if a Credit Facility Default then exists with respect to such Credit Facility, such consent or approval shall be effective without the consent or approval of such Applicable Credit Facility Issuer otherwise required by this Article XI and the Trustee shall comply with such request or direction notwithstanding that such request or direction is required to be given or made together with such Credit Facility Issuer.

If such Credit Facility Default shall be cured the Trustee will follow the instructions of the Applicable Credit Facility Issuer in accordance with this Resolution. Anything in this Resolution or the Applicable Series Resolution to the contrary notwithstanding, any rights of subrogation of an Applicable Credit Facility Issuer gained as a result of any payments made pursuant to an Applicable Credit Facility shall continue to exist and be unaffected by any limitations on such rights in this Section 11.14 or elsewhere in the Resolution or in the Applicable Series Resolution imposed as a result of a Credit Facility Default.

**Section 11.15 Credit Facility Issuer as Holder.** If an Applicable Credit Facility Issuer has issued a Credit Facility for any Series of Bonds, such Applicable Credit Facility Issuer shall be deemed the Holder of such Bonds for purposes of Article XI and such other purposes as may be set forth in the Applicable Series Resolution unless a Credit Facility Default shall have occurred and has not been cured.

## ARTICLE XII

### DEFEASANCE

#### Section 12.01 Defeasance.

1. If the Authority shall pay or cause to be paid to the Holders of the Bonds of an Applicable Series the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, thereof and interest thereon, at the times and in the manner stipulated therein, herein, and in the Applicable Series Resolution and Applicable Bonds Series Certificate, then the pledge of the Revenues or other moneys and securities pledged to such Series of Bonds and all other rights granted hereby to such Series of Bonds shall be discharged and satisfied, and the right, title and interest of the Trustee in the Applicable Loan Agreement, and the Revenues shall thereupon cease with respect to such Series of Bonds. Upon such payment or provision for payment, the Trustee, on demand of the Authority, shall release the lien of the Resolution and Applicable Series Resolution but only with respect to such Applicable Series, except as it covers moneys and securities provided for the payment of such Bonds, and shall execute such documents to evidence such release as may be reasonably required by the Authority and the Institution and shall turn over to the Institution or such person, body or authority as may be

entitled to receive the same, upon such indemnification, if any, as the Authority or the Trustee may reasonably require, all balances remaining in any funds held under the Applicable Series Resolution after paying or making proper provision for the payment of the principal or Redemption Price (as the case may be) of, and interest on, all Bonds of the Applicable Series and payment of expenses in connection therewith; provided that, if any of such Bonds are to be redeemed prior to the maturity thereof, the Authority shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly mailed in accordance with the Resolution and the Applicable Series Resolution or irrevocable instructions to mail such notice shall have been given to the Trustee.

2. Bonds of an Applicable Series for which moneys shall have been set aside, shall be held in trust by the Trustee for the payment or redemption thereof, (through deposit of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subdivision 1 of this Section. All Outstanding Bonds of an Applicable Series or any maturity within such Series or a portion of a maturity within such Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subdivision 1 of this Section if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to mail, as provided in Article IV hereof, notice of redemption on said date of such Bonds, (b) except as otherwise set forth in the Series Resolution or Bond Series Certificate with respect to an Applicable Series of Bonds, there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities, the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on said Bonds of an Applicable Series on and prior to the redemption date or maturity date thereof, as the case may be, (c) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the holders of said Bonds at their respective last known addresses, if any, appearing on the registration books, that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds. The Authority shall give written notice to the Trustee of its selection of the maturity for which payment shall be made in accordance with this Section. The Trustee shall select which Bonds of such Series and which maturity thereof shall be paid in accordance with this Section in the manner provided in Section 4.04 hereof. Neither the Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds; provided that any moneys received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on such Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any income or interest earned by, or increment to, the investment of any such moneys so deposited, shall, to the extent certified by the Trustee to be in excess of the amount required hereinabove to pay the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee as follows: first, to the Applicable Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of the Authority; second, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Applicable Loan Agreement for fees and expenses of the Authority or pursuant

to any indemnity; third, as directed by the Authority and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created hereby or by such Loan Agreement; and then, to the extent any moneys are remaining, to the Authority or at the Authority's discretion, to the Institution.

3. For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of money, or Defeasance Securities and money, if any, in accordance with clause (b) of the second sentence of paragraph 2 of this Section 12.01, the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such Maximum Interest Rate for any period, the total amount of money and Defeasance Securities on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy clause (b) of the second sentence of paragraph 2 of this Section 12.01, the Trustee shall, if requested by the Authority, pay the amount of such excess as follows: first, to the Applicable Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of the Authority; second, to each Applicable Credit Facility Issuer any unreimbursed amounts under such Credit Facility Issuer's Credit Facility and any reimbursement or related agreement associated therewith, pro rata, in proportion to the respective amounts then unpaid to each Applicable Credit Facility Issuer; third, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based on the respective Provider Payments then not repaid to each Facility Provider; fourth, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Applicable Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Applicable Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created hereby or by such Loan Agreement.

4. Option Bonds shall be deemed to have been paid in accordance with clause (b) of the second sentence of paragraph 2 of this Section 12.01 only if, in addition to satisfying the requirements of clauses (a) and (c) of such sentence, there shall have been deposited with the Trustee money in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; provided, however, that if, at the time a deposit is made with the Trustee pursuant to clause (b) of paragraph 2 of this Section 12.01, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph 4. If any portion of the money deposited with the Trustee for the payment of the principal of and premium, if any, and interest on Option Bonds is not required for such purpose, the Trustee shall, if requested by the Authority, pay the amount of such excess as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Applicable Credit Facility Issuer any unreimbursed amounts under such Credit Facility Issuer's Credit Facility and any reimbursement or related agreement associated therewith, pro rata, in proportion to the respective amounts then unpaid to each Applicable Credit Facility Issuer; third, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then not repaid to each Facility Provider; fourth, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Applicable Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Applicable Institution, and any such money so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created hereby or by the Applicable Loan Agreement.

5. Anything herein to the contrary notwithstanding, any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any of the Bonds of an Applicable Series which remain unclaimed for three (3) years after the date when such moneys become due and payable upon such Bonds either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or Paying Agent at such date, shall at the written request of the Authority, be repaid by the Trustee or Paying Agent to the Authority as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Holders of Bonds of such Series shall look only to the Authority for the payment of such Bonds; provided, however, that, before being required to make any such payment to the Authority, the Trustee or Paying Agent may, at the expense of the Authority, cause to be published in an Authorized Newspaper a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than forty (40) nor more than ninety (90) days after the date of publication of such notice, the balance of such moneys then unclaimed shall be returned to the Authority. In lieu of publishing such notice in an Authorized Newspaper, the Authority may post, or cause the Institution to post the matters set forth in this Section 12.01 on the Electronic Municipal Market Access portal of the Municipal Securities Rulemaking Board to all applicable CUSIP numbers.

6. No principal or Sinking Fund Installment of or installment of interest on a Bond shall be considered to have been paid, and the obligation of the Authority for the payment thereof shall continue, notwithstanding that an Applicable Credit Facility Issuer, if any, pursuant to the Applicable Credit Facility issued with respect to such Bond has paid the principal or Sinking Fund Installment thereof or the installment of interest thereon.

## ARTICLE XIII

### EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

Section 13.01 Evidence of Signatures of Bondholders and Ownership of Bonds. Any request, consent or other instrument which the Resolution or the Applicable Series Resolution may require or permit to be signed and executed by a Holder or Holders of Bonds of an Applicable Series may be in one or more instruments of similar tenor, and shall be signed or executed by such Holder or Holders of Bonds in person or by his or their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, or the holding or owning by any person of such Bonds, shall be sufficient for any purpose hereof (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may nevertheless in its discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Holder or Holders of Bonds of an Applicable Series or his attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of any officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice-president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

The ownership of Bonds of an Applicable Series and the amount, numbers and other identification, and date of holding or owning the same shall be proved by the registry books. Any request, consent or vote of the owner of any Bond of an Applicable Series shall bind all future owners of

such Bond in respect of anything done or suffered to be done or omitted to be done by the Authority or the Trustee in accordance therewith.

## ARTICLE XIV

### MISCELLANEOUS

Section 14.01 Preservation and Inspection of Documents. All documents received by the Trustee from the Authority or from Bondholders of an Applicable Series under the provisions hereof or of any Applicable Series Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the Applicable Institution(s), each Applicable Credit Facility Issuer, if any, any holder of a Bond of an Applicable Series and their agents and representatives, any of whom may make copies thereof; provided, however, that with respect to inspection by a holder of a Bond of an Applicable Series a written request of such Bondholder must have been received by the Trustee at least five (5) business days prior to the date of inspection.

Section 14.02 Moneys and Funds Held for Particular Bonds. The amounts held by the Trustee or any Paying Agent for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Bonds of an Applicable Series due on any date with respect to particular Bonds of such Series shall, pending such payment, be set aside and held in trust by it for the Holders of such Bonds entitled thereto, and for the purposes hereof such principal, Sinking Fund Installments, if any, or Redemption Price of and interest on such Bonds, due after such date thereof, shall no longer be considered to be unpaid.

Section 14.03 Cancellation of Bonds. Subject to Section 12.01(6) the Trustee or any Paying Agent shall forthwith cancel all Bonds of an Applicable Series which have been redeemed or paid by it and may destroy such Bonds and deliver a certificate to that effect to the Authority. No such Bonds shall be deemed Outstanding Bonds hereunder or under an Applicable Series Resolution and no Bonds shall be issued in lieu thereof.

Section 14.04 No Recourse under Resolution or on the Bonds. All covenants, stipulations, promises, agreements and obligations of the Authority contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any member, officer or employee of the Authority in his individual capacity, and no recourse shall be had for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on the Bonds of an Applicable Series or for any claims based thereon, hereon or on the Applicable Series Resolutions against any member, officer or employee of the Authority or any person executing such Bonds, all such liability, if any, being expressly waived and released by every Holder of a Bond of an Applicable Series by the acceptance of such Bonds.

Section 14.05 Severability of Invalid Provision. If any one or more of the covenants, stipulations, promises, agreements and obligations provided herein or in any Applicable Series Resolution on the part of the Authority or the Trustee to be performed should be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, agreement or agreements or obligation or obligations shall be null and void, shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions hereof or of such Applicable Series Resolution or of an Applicable Series of Bonds.

Section 14.06 Parties in Interest. Nothing herein or in any Applicable Series Resolution adopted pursuant to the provisions hereof, expressed or implied, is intended to or shall be construed to

confer upon or to give to any person or party other than the Authority, the Trustee, the Paying Agents, each Credit Facility Issuer, if any, each Facility Provider, if any, and the Holders of Bonds of an Applicable Series of Bonds any rights, remedies or claims hereunder or by reason hereof or of any Applicable Series Resolution or any covenant, condition or stipulation thereof. All covenants, stipulations, promises and agreements herein or in an Applicable Series Resolution by or on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the Paying Agent, each Credit Facility Issuer, if any, each Facility Provider, if any, and the Holders if from time to time of the Bonds of an Applicable Series.

**Section 14.07 Actions by the Authority.** Any time the Authority is permitted or directed to act pursuant to this Resolution or a Series Resolution, such action may be taken by an Authorized Officer of the Authority except that the following actions may only be taken by resolution of the members of the Authority: authorization and issuance of bonds; adoption of resolutions; modifications and amendments pursuant to Articles IX and X herein. Any certificates of the Authority to be delivered hereunder shall be executed by an Authorized Officer.

**Section 14.08 Authority to act as Holder of Obligations.** In the event that any request, direction or consent is required or permitted by the Master Indenture to be given with respect to an Applicable Obligation issued thereunder to secure any Bonds, the Authority or its successor or assign shall be the registered owner of the Applicable Obligation for such Series of Bonds for the purpose of any such request, direction or consent. To the extent any such Obligation shall secure a Series of Bonds that is secured by a Credit Facility, the prior written consent of the Applicable Credit Facility Issuer, unless a Credit Facility Default shall have occurred and be continuing, shall be required for any such request, direction or consent.

**Section 14.09 Notices.** Except as otherwise provided herein, any notices, directions or other instruments required to be given or delivered pursuant hereto or to any Series Resolution shall be in writing and shall be delivered by hand against the written receipt therefor or sent by registered or certified mail addressed: in the case of the Authority, to it to the attention of the Authority's President with a copy to the Authority's General Counsel, at 515 Broadway, Albany, New York 12207; in the case of the Trustee, addressed to it at the principal corporate trust office of the Trustee at the address of such principal corporate trust office; in the case of an Applicable Institution, addressed to it as specified in the Applicable Loan Agreement or, in each case, to such other individual and at such other address as the person to be notified shall have specified by notice to the other persons. In the event of an Applicable Credit Facility Issuer, the notice address therefor shall be set forth in the Applicable Bond Series Certificate.

**Section 14.10 Other Resolutions.** The Authority expressly reserves the right to adopt one or more other bond resolutions and to issue bonds, bond anticipation notes, notes and other obligations thereunder without compliance with the provisions hereof.

**Section 14.11 Survival of Particular Covenants.** The obligation of the Authority to comply with the provisions of Section 7.11 hereof with respect to the rebate to the Department of the Treasury of the United States of America of any Excess Earnings relating to the Bonds of an Applicable Series of Tax-Exempt Bonds shall remain in full force and effect so long as the Authority shall be required by the Code to rebate such Excess Earnings notwithstanding that Bonds of such Series are no longer Outstanding.

**Section 14.12 Termination of Facility Provider's Rights.** Whenever by the terms hereof the consent or approval of an Applicable Facility Provider is required or a Facility Provider, alone or together with any Credit Facility Issuer or other Applicable Facility Provider or the Holders of Bonds of a Series, is authorized to request or direct the Trustee to take any action, such consent or approval shall not be

required and the Trustee shall not be obligated to comply with such request or direction if such Applicable Facility Provider is then in default in its payment obligations under the provisions of the Reserve Fund Facility issued by such Applicable Facility Provider. Nothing contained herein shall limit or impair the rights of the Holders of Bonds to give any consent or approval or to request or direct the Trustee to take any action and, if an Applicable Facility Provider is then in default under such Applicable Reserve Fund Facility, such consent or approval shall be effective without the consent or approval of such Applicable Facility Provider otherwise required hereby and the Trustee shall comply with such request or direction notwithstanding that such request or direction is required to be made or given together with such Applicable Facility Provider.

Section 14.13 Headings. Any headings preceding the text of several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part hereof nor shall they affect its meaning, construction or effect.

Section 14.14 Governing Laws. The Resolution shall be governed by and construed in accordance with the laws of the State.

Section 14.15 Authority to Deliver this Resolution. An Authorized Officer of the Authority is hereby authorized and directed to deliver this Resolution with such changes, insertions and omissions as may be approved by such Authorized Officer, such delivery being conclusive evidence of such approval; provided, however, such changes, insertions and omissions shall be necessary to effectuate the intent of this Resolution.

Section 14.16 Effective Date. This Resolution shall take effect immediately upon its adoption.

---

---

**DORMITORY AUTHORITY  
OF THE STATE OF NEW YORK**

---

**SERIES 2019A RESOLUTION**

---

**AUTHORIZING UP TO \$220,000,000  
CATHOLIC HEALTH SYSTEM OBLIGATED GROUP REVENUE BONDS,  
SERIES 2019A**

---

**Adopted March 6, 2019**

---

---

## TABLE OF CONTENTS

Page No.

### ARTICLE I

#### DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01	Series 2019A Resolution.....	1
Section 1.02	Definitions.....	2
Section 1.03	Authority for this Series 2019A Resolution.....	3

### ARTICLE II

#### AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2019A BONDS

Section 2.01	Authorization of Series 2019A Bonds, Principal Amount, Designation and Series	3
Section 2.02	Purposes .....	3
Section 2.03	Delegation of Authority .....	3

### ARTICLE III

#### EXECUTION AND AUTHENTICATION OF THE SERIES 2019A BONDS

Section 3.01	Execution and Authentication of Series 2019A Bonds.....	6
Section 3.02	No Recourse on Series 2019A Bonds .....	6

### ARTICLE IV

#### ESTABLISHMENT OF FUNDS AND ACCOUNTS; APPLICATION OF PROCEEDS

Section 4.01	Establishment of Funds.....	6
Section 4.02	Application of Proceeds and Deposit of Moneys .....	7
Section 4.03	Application of Moneys in the Construction Fund.....	7
Section 4.04	Allocation of Revenues.....	7

### ARTICLE V

#### AUTHORIZATION TO EXECUTE AND DELIVER RELATED DOCUMENTS

Section 5.01	Approval and Execution of the Loan Agreement .....	7
Section 5.02	Approval and Execution of Bond Purchase Agreement; Sale of Series 2019A Bonds .....	7
Section 5.03	Approval and Distribution of Preliminary Official Statement.....	8
Section 5.04	Execution and Delivery of Official Statement.....	8
Section 5.05	Execution and Delivery of Documents .....	8

### ARTICLE VI

#### MISCELLANEOUS

Section 6.01	Authority to Deliver this Series 2019A Resolution .....	8
Section 6.02	When Effective .....	8

**SERIES 2019A RESOLUTION**

**AUTHORIZING UP TO \$220,000,000**

**CATHOLIC HEALTH SYSTEM OBLIGATED GROUP REVENUE BONDS,**

**SERIES 2019A**

**WHEREAS**, the Dormitory Authority of the State of New York (the “Authority”), duly adopted on March 6, 2019, its Catholic Health System Obligated Group Revenue Bond Resolution (the “Resolution”); and

**WHEREAS**, the Resolution authorizes the issuance by the Authority, from time to time, of its Revenue Bonds, in one or more series, for the authorized purposes of the Authority; and

**WHEREAS**, the Resolution provides that each Series of Bonds of the Authority shall be authorized and issued pursuant to an Applicable Series Resolution or Applicable Series Resolutions (as defined in the Resolution and as certain other terms used herein are defined in the Resolution or pursuant to Section 1.02 hereof); and

**WHEREAS**, each such Series of Bonds is to be authorized by a separate Series Resolution and is to be separately secured from each other Series of Bonds; and

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to issue under the Resolution and this Series 2019A Resolution, the Series 2019A Bonds; and

**WHEREAS**, the Series 2019A Bonds herein authorized will be issued for the purpose of lending to Catholic Health System, Inc. (the “Institution”), funds sufficient to (i) pay the Cost of the Series 2019A Project, including the refunding of the Refunded Bonds, (ii) fund a Debt Service Reserve Fund (as defined herein), if any, to secure the Series 2019A Bonds; and (iii) pay certain Costs of Issuance incurred in connection with the issuance and sale of such Series 2019A Bonds.

**BE IT RESOLVED** by the Dormitory Authority of the State of New York, as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01 Series 2019A Resolution.** This “Series 2019A Resolution Authorizing Up To \$220,000,000 Catholic Health System Obligated Group Revenue Bonds, Series 2019A” is supplemental to, and constitutes a Series Resolution within the meaning of and is adopted in accordance with Article IX of, the resolution adopted by the Authority on March 6, 2019, entitled “Catholic Health System Obligated Group Revenue Bond Resolution Adopted March 6, 2019, a Resolution Authorizing the Issuance by the Dormitory Authority of the State of New York of Series of Revenue Bonds for Catholic Health System Obligated Group Members; Providing for the Payment of the Principal of and Interest on Such Bonds; and Providing for the Rights of the Holders Thereof.”

**Section 1.02 Definitions.** (a) All terms which are defined in Section 1.01 of the Resolution shall have the same meanings, respectively, in this Series 2019A Resolution as such terms are given in said Section 1.01 of the Resolution. In addition, as used in this Series 2019A Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings:

**“Arbitrage Rebate Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Bond Year”** shall have the meaning given such term in the Series 2019A Certificate.

**“Construction Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Debt Service Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Debt Service Reserve Fund”** means the fund, if any, so designated, established pursuant to the Series 2019A Certificate.

**“Debt Service Reserve Fund Requirement”** means, with respect to the Series 2019A Bonds, the amount, if any, set forth in the Series 2019A Certificate.

**“Institution”** means Catholic Health System, Inc.

**“Loan Agreement”** means the Loan Agreement, executed by and between the Authority and the Institution relating to the Series 2019A Bonds.

**“Refunded Bonds”** means the Authority’s Catholic Health System Obligated Group Revenue Bonds, Series 2006A, Series 2006B, Series 2006C and Series 2006D dated November 29, 2006 and Catholic Health System Obligated Group Revenue Bonds, Series 2008 dated November 19, 2008.

**“Series 2019A Bonds”** means the Bonds authorized by Article II of this Series 2019A Resolution.

**“Series 2019A Certificate”** means the Bond Series Certificate executed in conjunction with the sale of the Series 2019A Bonds.

**“Series 2019A Obligation”** means the Obligation issued under the Master Indenture relating to the Series 2019A Bonds.

**“Series 2019A Project”** means the Project as described in the Loan Agreement, as such may be amended by an Authorized Officer from time to time.

**“Series 2019A Resolution”** means this Series 2019A Resolution Authorizing Catholic Health System Obligated Group Revenue Bonds, Series 2019A, adopted by the Authority on March 6, 2019.

**“Tax-Exempt Bonds”** means Bonds the interest on which is intended to be excluded from gross income for purposes of federal income taxation.

**“Taxable Bonds”** means Bonds the interest on which is intended to be included in gross income for purposes of federal income taxation.

(b) 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, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Series 2019A Resolution, refer to this Series 2019A Resolution.

**Section 1.03 Authority for this Series 2019A Resolution.** This Series 2019A Resolution is adopted pursuant to the provisions of the Act and the Resolution.

## ARTICLE II

### AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2019A BONDS

**Section 2.01 Authorization of Series 2019A Bonds, Principal Amount, Designation and Series.** The Series 2019A Bonds shall be entitled to the benefit, protection and security of the Resolution and are hereby authorized to be issued in an aggregate principal amount that shall not exceed \$220,000,000; *provided, however,* that in no event shall the aggregate principal amount of the Series 2019A Bonds, together with the aggregate principal amount of the Authority’s Catholic Health System Obligated Group Revenue Bonds, Series 2019B Bonds, exceed \$220,000,000. Such Series 2019A Bonds shall be designated as and shall be distinguished from the Bonds of all other Series by the title “Catholic Health System Obligated Group Revenue Bonds, Series 2019A” or such other designation as determined appropriate by an Authorized Officer of the Authority, pursuant to and subject to the terms, conditions and limitations established in the Resolution and this Series 2019A Resolution.

**Section 2.02 Purposes.** The Series 2019A Bonds are being issued for the benefit of the Institution to (i) pay the Cost of the Series 2019A Project, including the refunding of the Refunded Bonds, (ii) fund a Debt Service Reserve Fund to secure the Series 2019A Bonds, if any, and (iii) pay certain Costs of Issuance of the Series 2019A Bonds.

**Section 2.03 Delegation of Authority.** There is hereby delegated to any Authorized Officer of the Authority, subject to the limitations contained herein, in the Resolution and the Act, the power with respect to the Series 2019A Bonds (and any subseries thereof) to determine and carry out the following:

(a) The sale of the Series 2019A Bonds at a public or private sale; provided, however, that in the case of a private sale the purchase price paid by the purchasers thereof shall not be less than ninety-five percent (95%) of the principal amount of the Series 2019A Bonds so

sold; the approval of the terms and the publication of an official statement describing the Series 2019A Bonds; the publication of a notice of sale; and the execution of a contract or contracts to purchase the Series 2019A Bonds at public or private sale on behalf of the Authority;

(b) Subject to the limits set forth in Section 2.01 hereof, the principal amount of Series 2019A Bonds to be issued and the principal amount of each subseries, if any;

(c) The date or dates on which any Series 2019A Bond will pay interest and/or principal, maturity date or dates, and principal amount of each maturity of the Series 2019A Bonds, the amount and date of each Sinking Fund Installment, if any, and which Series 2019A Bonds are to be Serial Bonds or Term Bonds, if any, or the method of determining any or all of the foregoing, and any other terms regarding the payment of the principal amount of the Series 2019A Bonds; *provided, however,* that no Series 2019A Bonds shall mature later than thirty (30) years from the July 1 next succeeding the date of issuance of such Series 2019A Bonds;

(d) The interest rate or rates on the Series 2019A Bonds including whether the Series 2019A Bonds, or any subseries of a maturity, shall bear interest at one or more rates, the date or dates from which interest on the Series 2019A Bonds shall accrue and the first interest payment date for all or any portion of the Series 2019A Bonds; *provided, however,* that the true interest cost (as determined by an Authorized Officer of the Authority, which determination shall be conclusive) of the Series 2019A Bonds that are fixed rate bonds, including Series 2019A Bonds that may be issued in a Fixed Rate Mode (as such term is defined in the Series 2019A Certificate), and the initial rate of interest on Series 2019A Bonds that are Variable Interest Rate Bonds, shall not exceed seven and one-half percent (7.5%) per annum if issued as Tax-Exempt Bonds and ten percent (10%) per annum if issued as Taxable Bonds;

(e) The denomination or denominations of and the manner of numbering and lettering the Series 2019A Bonds; *provided, however,* the Series 2019A Bonds shall be initially issued in minimum denominations of \$5,000 and integral multiples thereof;

(f) The Series 2019A Bonds which are Book Entry Bonds, and the Depository therefor;

(g) The Trustee, Paying Agent or Paying Agents and, subject to the provisions of Sections 3.01, 8.01 and 8.02 of the Resolution, the place or places of payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Series 2019A Bonds; *provided, however,* that such Paying Agent or Paying Agents may be appointed by resolution adopted prior to authentication and delivery of the Series 2019A Bonds in accordance with the provisions of Section 8.02 of the Resolution; and *provided further,* that if, prior to the issuance of the Series 2019A Bonds, the Trustee shall receive from or at the direction of the Authority a security deposit in connection with the sale of the Series 2019A Bonds or any other funds related to the Series 2019A Bonds, then the Trustee's appointment in connection with the Series 2019A Bonds shall be deemed to have occurred concurrently with such receipt and all provisions of the Resolution and this Series 2019A Resolution relating to the Trustee's duties, obligations and standard of care shall apply as of such date;

(h) The Redemption Price or Redemption Prices, if any, and, subject to Article IV of the Resolution, the redemption terms, if any, for the Series 2019A Bonds; *provided, however,* that the Redemption Price of any Series 2019A Bonds subject to redemption at the election or direction of the Authority may be equal to a percentage of the principal amount of the Series 2019A Bonds to be redeemed, plus accrued interest thereon to the date of redemption, and may alternatively be determined by a formula which is intended to “make whole” the Holders of such Series 2019A Bonds by setting a Redemption Price based on the expected rate of return to such Holders;

(i) Provisions with respect to funds and accounts and subaccounts therein, if applicable, and the Revenues and application thereof, as provided in Article V of the Resolution and Article IV hereof;

(j) The form of the Series 2019A Bonds and the form of the Trustee’s certificate of authentication thereon;

(k) Whether a Debt Service Reserve Fund will be established with respect to the Series 2019A Bonds and, if so, the provisions relating thereto and the applicable Debt Service Reserve Fund Requirement for the Series 2019A Bonds;

(l) If any Series 2019A Bonds are to be subject to purchase by or at the direction of the Institution in lieu of their optional redemption, provisions for such purchase, including the purchase price to be paid therefor and the terms on which such Authorized Bonds may be purchased;

(m) Provisions for the sale, conversion or exchange of the Series 2019A Bonds and for the delivery thereof, including the ability to serialize term Bond sinking fund payments;

(n) The series, maturities and principal amount of any bonds to be refunded with proceeds of the Series 2019A Bonds;

(o) Whether the Series 2019A Bonds will be issued in one or more subseries;

(p) Whether the Series 2019A Bonds or any subseries thereof will be issued as Tax-Exempt Bonds or Taxable Bonds;

(q) Directions for the application of the proceeds of the Series 2019A Bonds; and

(r) Any other provisions deemed advisable by an Authorized Officer of the Authority, not in conflict with the provisions hereof or of the Resolution.

Such Authorized Officer shall execute one or more Bond Series Certificates evidencing determinations or other actions taken pursuant to the authority granted herein or in the Resolution, and any such Bond Series Certificate shall be conclusive evidence of the action or determination of such Authorized Officer as to the matters stated therein.

Series 2019A Bonds of the same maturity need not bear the same interest rate if an Authorized Officer determines that it is in the interest of the Institution to permit such split coupons. All Series 2019A Bonds issued pursuant to this Series 2019A Resolution shall otherwise be identical in all respects except also as to denominations, maturity, offering price, amounts, numbers and letters.

## ARTICLE III

### EXECUTION AND AUTHENTICATION OF THE SERIES 2019A BONDS

**Section 3.01 Execution and Authentication of Series 2019A Bonds.** Pursuant to the provisions of Section 3.03 of the Resolution, the Chair or other Authorized Officer of the Authority is hereby authorized and directed to execute by his or her manual or facsimile signature the Series 2019A Bonds in the name of the Authority and the corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. The Secretary or an Assistant Secretary of the Authority is hereby authorized and directed to attest, by his or her manual or facsimile signature, the execution of the Series 2019A Bonds.

The Trustee is hereby authorized to authenticate by manual or facsimile signature the Series 2019A Bonds, and deliver the same to or upon the order of the Authority, in such amounts and at such times as the Trustee shall be directed in writing by an Authorized Officer.

**Section 3.02 No Recourse on Series 2019A Bonds.** No recourse shall be had for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on the Series 2019A Bonds or for any claim based thereon or on this Series 2019A Resolution against any member, officer or employee of the Authority or any person executing the Series 2019A Bonds and neither the members of the Authority nor any other person executing the Series 2019A Bonds of the Authority shall be subject to any personal liability or accountability by reason of the issuance thereof, all such liability being expressly waived and released by every Holder of Series 2019A Bonds by the acceptance thereof.

## ARTICLE IV

### ESTABLISHMENT OF FUNDS AND ACCOUNTS; APPLICATION OF PROCEEDS

**Section 4.01 Establishment of Funds.** The following funds shall be established, held, maintained and applied by the Trustee in accordance with Articles V and VI of the Resolution (provided a Debt Service Reserve Fund may be established by the Series 2019A Certificate), except as provided in this Series 2019A Resolution and the Bond Series Certificate:

- (a) Construction Fund;
- (b) Debt Service Fund; and
- (c) Arbitrage Rebate Fund.

All moneys at any time deposited in any fund, account or sub-account created and pledged hereby, other than the Arbitrage Rebate Fund, shall be held in trust for the benefit of the Holders of the Series 2019A Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided herein

**Section 4.02 Application of Proceeds and Deposit of Moneys.** The Trustee shall apply the proceeds of the sale of the Series 2019A Bonds as follows: (a) the amount representing accrued interest, if any, on the Series 2019A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Debt Service Fund upon the direction of an Authorized Officer of the Authority; and (b) the balance thereof shall be deposited, in accordance with the written instructions of an Authorized Officer of the Authority, in the Construction Fund and/or the Debt Service Reserve Fund, all as set forth in the Series 2019A Certificate.

**Section 4.03 Application of Moneys in the Construction Fund.** Proceeds of the Series 2019A Bonds deposited in the Construction Fund shall first be applied to the payment of Costs of Issuance of the Series 2019A Bonds, including the payment to the Authority of the Authority Fee, and then to the payment of the Costs of the Series 2019A Project. In the event that the Series 2019A Project is amended as permitted by the Loan Agreement, moneys held in the Construction Fund may thereafter be applied toward the payment of the Costs of the Series 2019A Project, as so amended. Upon completion of the Series 2019A Project and delivery to the Authority of a certificate signed by an Authorized Officer of the Institution pursuant to Section 5.04 of the Resolution, the balance of the moneys, if any, remaining in the Construction Fund not needed to pay Costs of the Series 2019A Project then unpaid shall be applied in accordance with Section 5.04 of the Resolution.

**Section 4.04 Allocation of Revenues.** All moneys paid to the Trustee under the Loan Agreement shall be applied in accordance with the Resolution. Upon the failure of the Institution to provide funds sufficient to pay debt service on the Series 2019A Bonds when due, or upon the failure of the Institution to pay any amounts when due under the Loan Agreement, the Trustee is authorized to apply any amounts received as a result of the enforcement of the Series 2019A Obligation issued under the Master Trust Indenture and the Supplemental Indenture for the Series 2019A Obligation, as Revenues under the Resolution.

## ARTICLE V

### AUTHORIZATION TO EXECUTE AND DELIVER RELATED DOCUMENTS

**Section 5.01 Approval and Execution of the Loan Agreement.** The form of the Loan Agreement as submitted to this meeting is approved. An Authorized Officer of the Authority is hereby authorized and directed to execute and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval.

**Section 5.02 Approval and Execution of Bond Purchase Agreement; Sale of Series 2019A Bonds.** The form of bond purchase agreement by and between the Authority and Merrill Lynch, Pierce Fenner & Smith Incorporated (the “Bond Purchase Agreement”), as submitted to this meeting is approved. An Authorized Officer of the Authority is hereby authorized and directed

to determine the terms and purchase price of the Series 2019A Bonds within the limitations set forth in this Series 2019A Resolution and to execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval. Any Authorized Officer of the Authority is also authorized to sell the Series 2019A Bonds at negotiated sale and is further authorized and directed to make such distribution to prospective purchasers of all documents as he or she shall deem necessary or desirable to effect a sale of the Series 2019A Bonds.

**Section 5.03 Approval and Distribution of Preliminary Official Statement.** The Preliminary Official Statement (the "Preliminary Official Statement") substantially in the form of the draft presented to this meeting is approved. The distribution in connection with the sale of the Series 2019A Bonds of the Preliminary Official Statement by an Authorized Officer of the Authority, with such changes, insertions and omissions from the draft Preliminary Official Statement presented to this meeting as the Authorized Officer distributing the same shall approve, said distribution being conclusive evidence of such approval, is hereby authorized.

**Section 5.04 Execution and Delivery of Official Statement.** Any Authorized Officer is also authorized to execute and deliver, on behalf of the Authority, a final Official Statement relating to the Series 2019A Bonds (the "Official Statement") to be dated as of the date of the sale of the Series 2019A Bonds with such changes, insertions and omissions to the draft Official Statement as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable. After execution, any Authorized Officer of the Authority is hereby authorized to deliver to the purchasers of the Series 2019A Bonds an executed copy or copies of such Official Statement and any amendments or supplements thereto.

**Section 5.05 Execution and Delivery of Documents.** Any Authorized Officer of the Authority is hereby authorized to execute and deliver, in the name and on behalf of the Authority, any and all documents and instruments and to do and cause to be done any and all acts and things, that said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Series 2019A Bonds and to carry out the transactions contemplated by this Series 2019A Resolution.

## ARTICLE VI

### MISCELLANEOUS

**Section 6.01 Authority to Deliver this Series 2019A Resolution.** An Authorized Officer of the Authority is hereby authorized and directed to deliver this Series 2019A Resolution with such changes, insertions and omissions as may be approved by such Authorized Officer, such delivery being conclusive evidence of such approval; provided, however, that such changes, insertions and omissions shall not conflict with the provisions of the Resolution and shall be necessary to effectuate the intent of this Series 2019A Resolution.

**Section 6.02 When Effective.** This Series 2019A Resolution shall take effect immediately upon its adoption.

---

---

**DORMITORY AUTHORITY  
OF THE STATE OF NEW YORK**

---

**SERIES 2019B RESOLUTION**

---

**AUTHORIZING UP TO \$220,000,000  
CATHOLIC HEALTH SYSTEM OBLIGATED GROUP REVENUE BONDS,  
SERIES 2019B**

---

**Adopted March 6, 2019**

---

---

## TABLE OF CONTENTS

Page No.

### ARTICLE I

#### DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01	Series 2019B Resolution.....	1
Section 1.02	Definitions.....	2
Section 1.03	Authority for this Series 2019B Resolution.....	3

### ARTICLE II

#### AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2019B BONDS

Section 2.01	Authorization of Series 2019B Bonds, Principal Amount, Designation and Series	3
Section 2.02	Purposes .....	3
Section 2.03	Credit Facility .....	3
Section 2.04	Delegation of Authority .....	4

### ARTICLE III

#### EXECUTION AND AUTHENTICATION OF THE SERIES 2019B BONDS

Section 3.01	Execution and Authentication of Series 2019B Bonds.....	6
Section 3.02	No Recourse on Series 2019B Bonds .....	6

### ARTICLE IV

#### ESTABLISHMENT OF FUNDS AND ACCOUNTS; APPLICATION OF PROCEEDS

Section 4.01	Establishment of Funds .....	7
Section 4.02	Application of Proceeds and Deposit of Moneys .....	7
Section 4.03	Application of Moneys in the Construction Fund.....	7
Section 4.04	Allocation of Revenues .....	8

### ARTICLE V

#### AUTHORIZATION TO EXECUTE AND DELIVER RELATED DOCUMENTS

Section 5.01	Approval and Execution of the Loan Agreement .....	8
Section 5.02	Approval and Execution of Bond Purchase Agreement; Sale of Series 2019B Bonds .....	8
Section 5.03	Approval and Distribution of Preliminary Official Statement.....	8
Section 5.04	Execution and Delivery of Official Statement.....	9
Section 5.05	Execution and Delivery of Documents .....	9

### ARTICLE VI

#### MISCELLANEOUS

Section 6.01	Authority to Deliver this Series 2019B Resolution .....	9
Section 6.02	When Effective .....	9

**SERIES 2019B RESOLUTION**

**AUTHORIZING UP TO \$220,000,000**

**CATHOLIC HEALTH SYSTEM OBLIGATED GROUP REVENUE BONDS,**

**SERIES 2019B**

**WHEREAS**, the Dormitory Authority of the State of New York (the “Authority”), duly adopted on March 6, 2019, its Catholic Health System Obligated Group Revenue Bond Resolution (the “Resolution”); and

**WHEREAS**, the Resolution authorizes the issuance by the Authority, from time to time, of its Revenue Bonds, in one or more series, for the authorized purposes of the Authority; and

**WHEREAS**, the Resolution provides that each Series of Bonds of the Authority shall be authorized and issued pursuant to an Applicable Series Resolution or Applicable Series Resolutions (as defined in the Resolution and as certain other terms used herein are defined in the Resolution or pursuant to Section 1.02 hereof); and

**WHEREAS**, each such Series of Bonds is to be authorized by a separate Series Resolution and is to be separately secured from each other Series of Bonds; and

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to issue under the Resolution and this Series 2019B Resolution, the Series 2019B Bonds; and

**WHEREAS**, the Series 2019B Bonds herein authorized will be issued for the purpose of lending to Catholic Health System, Inc. (the “Institution”), funds sufficient to (i) pay the Cost of the Series 2019B Project, (ii) fund a Debt Service Reserve Fund (as defined herein), if any, to secure the Series 2019B Bonds; and (iii) pay certain Costs of Issuance incurred in connection with the issuance and sale of such Series 2019B Bonds.

**BE IT RESOLVED** by the Dormitory Authority of the State of New York, as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01 Series 2019B Resolution.** This “Series 2019B Resolution Authorizing Up To \$220,000,000 Catholic Health System Obligated Group Revenue Bonds, Series 2019B” is supplemental to, and constitutes a Series Resolution within the meaning of and is adopted in accordance with Article IX of, the resolution adopted by the Authority on March 6, 2019, entitled “Catholic Health System Obligated Group Revenue Bond Resolution Adopted March 6, 2019, a Resolution Authorizing the Issuance by the Dormitory Authority of the State of New York of Series of Revenue Bonds for Catholic Health System Obligated Group Members; Providing for the Payment of the Principal of and Interest on Such Bonds; and Providing for the Rights of the Holders Thereof.”

**Section 1.02 Definitions.** (a) All terms which are defined in Section 1.01 of the Resolution shall have the same meanings, respectively, in this Series 2019B Resolution as such terms are given in said Section 1.01 of the Resolution. In addition, as used in this Series 2019B Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings:

**“Arbitrage Rebate Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Bond Year”** shall have the meaning given such term in the Series 2019B Certificate.

**“Construction Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Credit Facility Repayment Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Debt Service Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Debt Service Reserve Fund”** means the fund, if any, so designated, established pursuant to the Series 2019B Certificate.

**“Debt Service Reserve Fund Requirement”** means, with respect to the Series 2019B Bonds, the amount, if any, set forth in the Series 2019B Certificate.

**“Institution”** means Catholic Health System, Inc.

**“Loan Agreement”** means the Loan Agreement, executed by and between the Authority and the Institution relating to the Series 2019B Bonds.

**“Purchase and Remarketing Fund”** means the fund so designated, established pursuant to Section 4.01 hereof.

**“Series 2019B Bonds”** means the Bonds authorized by Article II of this Series 2019B Resolution.

**“Series 2019B Certificate”** means the Bond Series Certificate executed in conjunction with the sale of the Series 2019B Bonds.

**“Series 2019B Obligation”** means the Obligation issued under the Master Indenture relating to the Series 2019B Bonds.

**“Series 2019B Project”** means the Project as described in the Loan Agreement, as such may be amended by an Authorized Officer from time to time.

**“Series 2019B Resolution”** means this Series 2019B Resolution Authorizing Catholic Health System Obligated Group Revenue Bonds, Series 2019B, adopted by the Authority on March 6, 2019.

**“Tax-Exempt Bonds”** means Bonds the interest on which is intended to be excluded from gross income for purposes of federal income taxation.

**“Taxable Bonds”** means Bonds the interest on which is intended to be included in gross income for purposes of federal income taxation.

(b) 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, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Series 2019B Resolution, refer to this Series 2019B Resolution.

**Section 1.03 Authority for this Series 2019B Resolution.** This Series 2019B Resolution is adopted pursuant to the provisions of the Act and the Resolution.

## **ARTICLE II**

### **AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2019B BONDS**

**Section 2.01 Authorization of Series 2019B Bonds, Principal Amount, Designation and Series.** The Series 2019B Bonds shall be entitled to the benefit, protection and security of the Resolution and are hereby authorized to be issued in an aggregate principal amount that shall not exceed \$220,000,000; *provided, however*, that in no event shall the aggregate principal amount of the Series 2019B Bonds, together with the aggregate principal amount of the Authority’s Catholic Health System Obligated Group Revenue Bonds, Series 2019A Bonds, exceed \$220,000,000. Such Series 2019B Bonds shall be designated as and shall be distinguished from the Bonds of all other Series by the title “Catholic Health System Obligated Group Revenue Bonds, Series 2019B” or such other designation as determined appropriate by an Authorized Officer of the Authority, pursuant to and subject to the terms, conditions and limitations established in the Resolution and this Series 2019B Resolution.

**Section 2.02 Purposes.** The Series 2019B Bonds are being issued for the benefit of the Institution to (i) pay the Cost of the Series 2019B Project, (ii) fund a Debt Service Reserve Fund to secure the Series 2019B Bonds, if any, and (iii) pay certain Costs of Issuance of the Series 2019B Bonds.

**Section 2.03 Credit Facility.** Manufacturers and Traders Trust Company will be the initial Credit Facility Issuer for the Series 2019B Bonds and will issue its Credit Facility with respect to the Series 2019B Bonds.

**Section 2.04 Delegation of Authority.** There is hereby delegated to any Authorized Officer of the Authority, subject to the limitations contained herein, in the Resolution and the Act, the power with respect to the Series 2019B Bonds (and any subseries thereof) to determine and carry out the following:

- (a) The sale of the Series 2019B Bonds at a public or private sale; provided, however, that in the case of a private sale the purchase price paid by the purchasers thereof shall not be less than ninety-five percent (95%) of the principal amount of the Series 2019B Bonds so sold; the approval of the terms and the publication of an official statement describing the Series 2019B Bonds; the publication of a notice of sale; and the execution of a contract or contracts to purchase the Series 2019B Bonds at public or private sale on behalf of the Authority;
- (b) Subject to the limits set forth in Section 2.01 hereof, the principal amount of Series 2019B Bonds to be issued and the principal amount of each subseries, if any;
- (c) The date or dates on which any Series 2019B Bond will pay interest and/or principal, maturity date or dates, and principal amount of each maturity of the Series 2019B Bonds, the amount and date of each Sinking Fund Installment, if any, and which Series 2019B Bonds are to be Serial Bonds or Term Bonds, if any, or the method of determining any or all of the foregoing, and any other terms regarding the payment of the principal amount of the Series 2019B Bonds; *provided, however,* that no Series 2019B Bonds shall mature later than thirty (30) years from the July 1 next succeeding the date of issuance of such Series 2019B Bonds;
- (d) The interest rate or rates on the Series 2019B Bonds including whether the Series 2019B Bonds, or any subseries of a maturity, shall bear interest at one or more rates, the date or dates from which interest on the Series 2019B Bonds shall accrue and the first interest payment date for all or any portion of the Series 2019B Bonds, and for Series 2019B Bonds that are Variable Interest Rate Bonds, the provisions and methods for establishing the foregoing; *provided, however,* that the true interest cost (as determined by an Authorized Officer of the Authority, which determination shall be conclusive) of the Series 2019B Bonds that are fixed rate bonds, including Series 2019B Bonds that may be issued in a Fixed Rate Mode (as such term is defined in the Series 2019B Certificate), and the initial rate of interest on Series 2019B Bonds that are Variable Interest Rate Bonds, shall not exceed seven and one-half percent (7.5%) per annum if issued as Tax-Exempt Bonds and ten percent (10%) per annum if issued as Taxable Bonds;
- (e) The denomination or denominations of and the manner of numbering and lettering the Series 2019B Bonds; provided, however, the Series 2019B Bonds shall be initially issued in minimum denominations of \$5,000 and integral multiples thereof;
- (f) The Series 2019B Bonds which are Book Entry Bonds, and the Depository therefor;
- (g) The Trustee, Paying Agent or Paying Agents and, subject to the provisions of Sections 3.01, 8.01 and 8.02 of the Resolution, the place or places of payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Series 2019B Bonds; *provided, however,* that such Paying Agent or Paying Agents may be appointed by resolution adopted prior to authentication and delivery of the Series 2019B Bonds in accordance with the

provisions of Section 8.02 of the Resolution; and *provided further*, that if, prior to the issuance of the Series 2019B Bonds, the Trustee shall receive from or at the direction of the Authority a security deposit in connection with the sale of the Series 2019B Bonds or any other funds related to the Series 2019B Bonds, then the Trustee's appointment in connection with the Series 2019B Bonds shall be deemed to have occurred concurrently with such receipt and all provisions of the Resolution and this Series 2019B Resolution relating to the Trustee's duties, obligations and standard of care shall apply as of such date;

(h) The Redemption Price or Redemption Prices, if any, and, subject to Article IV of the Resolution, the redemption terms, if any, for the Series 2019B Bonds; *provided, however*, that the Redemption Price of any Series 2019B Bonds subject to redemption at the election or direction of the Authority may be equal to a percentage of the principal amount of the Series 2019B Bonds to be redeemed, plus accrued interest thereon to the date of redemption, and may alternatively be determined by a formula which is intended to "make whole" the Holders of such Series 2019B Bonds by setting a Redemption Price based on the expected rate of return to such Holders;

(i) Provisions with respect to funds and accounts and subaccounts therein, if applicable, and the Revenues and application thereof, as provided in Article V of the Resolution and Article IV hereof;

(j) The form of the Series 2019B Bonds and the form of the Trustee's certificate of authentication thereon;

(k) Whether a Debt Service Reserve Fund will be established with respect to the Series 2019B Bonds and, if so, the provisions relating thereto and the applicable Debt Service Reserve Fund Requirement for the Series 2019B Bonds;

(l) If any Series 2019B Bonds are to be subject to purchase by or at the direction of the Institution in lieu of their optional redemption, provisions for such purchase, including the purchase price to be paid therefor and the terms on which such Authorized Bonds may be purchased;

(m) Provisions for the sale, conversion or exchange of the Series 2019B Bonds and for the delivery thereof, including the ability to serialize term Bond sinking fund payments;

(n) The series, maturities and principal amount of any bonds to be refunded with proceeds of the Series 2019B Bonds;

(o) Whether the Series 2019B Bonds will be issued in one or more subseries;

(p) Whether the Series 2019B Bonds or any subseries thereof will be issued as Tax-Exempt Bonds or Taxable Bonds;

(q) The specific terms of the Credit Facility as are necessary in connection with the Series 2019B Bonds;

(r) Directions for the application of the proceeds of the Series 2019B Bonds;

- (s) Establishing Record Dates for the Series 2019B Bonds;
- (t) Provisions regarding tender for purchase thereof, payment of the purchase price thereof and the appointment of a Remarketing Agent with respect thereto; and
- (u) Any other provisions deemed advisable by an Authorized Officer of the Authority, not in conflict with the provisions hereof or of the Resolution.

Such Authorized Officer shall execute one or more Bond Series Certificates evidencing determinations or other actions taken pursuant to the authority granted herein or in the Resolution, and any such Bond Series Certificate shall be conclusive evidence of the action or determination of such Authorized Officer as to the matters stated therein.

Series 2019B Bonds of the same maturity need not bear the same interest rate if an Authorized Officer determines that it is in the interest of the Institution to permit such split coupons. All Series 2019B Bonds issued pursuant to this Series 2019B Resolution shall otherwise be identical in all respects except also as to denominations, maturity, offering price, amounts, numbers and letters.

## **ARTICLE III**

### **EXECUTION AND AUTHENTICATION OF THE SERIES 2019B BONDS**

**Section 3.01 Execution and Authentication of Series 2019B Bonds.** Pursuant to the provisions of Section 3.03 of the Resolution, the Chair or other Authorized Officer of the Authority is hereby authorized and directed to execute by his or her manual or facsimile signature the Series 2019B Bonds in the name of the Authority and the corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. The Secretary or an Assistant Secretary of the Authority is hereby authorized and directed to attest, by his or her manual or facsimile signature, the execution of the Series 2019B Bonds.

The Trustee is hereby authorized to authenticate by manual or facsimile signature the Series 2019B Bonds, and deliver the same to or upon the order of the Authority, in such amounts and at such times as the Trustee shall be directed in writing by an Authorized Officer.

**Section 3.02 No Recourse on Series 2019B Bonds.** No recourse shall be had for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on the Series 2019B Bonds or for any claim based thereon or on this Series 2019B Resolution against any member, officer or employee of the Authority or any person executing the Series 2019B Bonds and neither the members of the Authority nor any other person executing the Series 2019B Bonds of the Authority shall be subject to any personal liability or accountability by reason of the issuance thereof, all such liability being expressly waived and released by every Holder of Series 2019B Bonds by the acceptance thereof.

## ARTICLE IV

### ESTABLISHMENT OF FUNDS AND ACCOUNTS; APPLICATION OF PROCEEDS

**Section 4.01 Establishment of Funds.** The following funds shall be established, held, maintained and applied by the Trustee in accordance with Articles V and VI of the Resolution (provided a Debt Service Reserve Fund may be established by the Series 2019B Certificate), except as provided in this Series 2019B Resolution and the Bond Series Certificate:

- (a) Construction Fund;
- (b) Debt Service Fund;
- (c) Arbitrage Rebate Fund;
- (d) Credit Facility Repayment Fund; and
- (e) Purchase and Remarketing Fund.

Within the Debt Service Fund there is hereby created and established a Credit Facility Account and an Available Moneys Account.

All moneys at any time deposited in any fund, account or sub-account created and pledged hereby, other than the Arbitrage Rebate Fund and the Credit Facility Repayment Fund, shall be held in trust for the benefit of the Holders of the Series 2019B Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided herein; provided, however, that the proceeds derived from the remarketing of Series 2019B Bonds which are optionally tendered, mandatorily tendered or deemed to have been tendered for purchase in accordance with the Resolution, this Series 2019B Resolution and the Series 2019B Certificate shall be deposited in the Purchase and Remarketing Fund established and created under this Series 2019B Resolution for the payment of the Purchase Price of Option Bonds so tendered or deemed to have been tendered, shall be held in trust solely for the benefit of the person or entity which has delivered such moneys until the Series 2019B Bonds purchased with such moneys have been delivered to such person or entity and thereafter solely for the person tendering such Series 2019B Bonds.

**Section 4.02 Application of Proceeds and Deposit of Moneys.** The Trustee shall apply the proceeds of the sale of the Series 2019B Bonds as follows: (a) the amount representing accrued interest, if any, on the Series 2019B Bonds from the date thereof to the date of delivery thereof shall be deposited in the Debt Service Fund upon the direction of an Authorized Officer of the Authority; and (b) the balance thereof shall be deposited, in accordance with the written instructions of an Authorized Officer of the Authority, in the Construction Fund and/or the Debt Service Reserve Fund, all as set forth in the Series 2019B Certificate.

**Section 4.03 Application of Moneys in the Construction Fund.** Proceeds of the Series 2019B Bonds deposited in the Construction Fund shall first be applied to the payment of Costs of Issuance of the Series 2019B Bonds, including the payment to the Authority of the Authority Fee,

and then to the payment of the Costs of the Series 2019B Project. In the event that the Series 2019B Project is amended as permitted by the Loan Agreement, moneys held in the Construction Fund may thereafter be applied toward the payment of the Costs of the Series 2019B Project, as so amended. Upon completion of the Series 2019B Project and delivery to the Authority of a certificate signed by an Authorized Officer of the Institution pursuant to Section 5.04 of the Resolution, the balance of the moneys, if any, remaining in the Construction Fund not needed to pay Costs of the Series 2019B Project then unpaid shall be applied in accordance with Section 5.04 of the Resolution.

**Section 4.04 Allocation of Revenues.** All moneys paid to the Trustee under the Loan Agreement shall be applied in accordance with the Resolution. Upon the failure of the Institution to provide funds sufficient to pay debt service on the Series 2019B Bonds when due, or upon the failure of the Institution to pay any amounts when due under the Loan Agreement, the Trustee is authorized to apply any amounts received as a result of the enforcement of the Series 2019B Obligation issued under the Master Trust Indenture and the Supplemental Indenture for the Series 2019B Obligation, as Revenues under the Resolution.

## ARTICLE V

### AUTHORIZATION TO EXECUTE AND DELIVER RELATED DOCUMENTS

**Section 5.01 Approval and Execution of the Loan Agreement.** The form of the Loan Agreement as submitted to this meeting is approved. An Authorized Officer of the Authority is hereby authorized and directed to execute and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval.

**Section 5.02 Approval and Execution of Bond Purchase Agreement; Sale of Series 2019B Bonds.** The form of bond purchase agreement by and between the Authority and Merrill Lynch, Pierce Fenner & Smith Incorporated (the “Bond Purchase Agreement”), as submitted to this meeting is approved. An Authorized Officer of the Authority is hereby authorized and directed to determine the terms and purchase price of the Series 2019B Bonds within the limitations set forth in this Series 2019B Resolution and to execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval. Any Authorized Officer of the Authority is also authorized to sell the Series 2019B Bonds at negotiated sale and is further authorized and directed to make such distribution to prospective purchasers of all documents as he or she shall deem necessary or desirable to effect a sale of the Series 2019B Bonds.

**Section 5.03 Approval and Distribution of Preliminary Official Statement.** The Preliminary Official Statement (the “Preliminary Official Statement”) substantially in the form of the draft presented to this meeting is approved. The distribution in connection with the sale of the Series 2019B Bonds of the Preliminary Official Statement by an Authorized Officer of the Authority, with such changes, insertions and omissions from the draft Preliminary Official Statement presented to this meeting as the Authorized Officer distributing the same shall approve, said distribution being conclusive evidence of such approval, is hereby authorized.

**Section 5.04 Execution and Delivery of Official Statement.** Any Authorized Officer is also authorized to execute and deliver, on behalf of the Authority, a final Official Statement relating to the Series 2019B Bonds (the “Official Statement”) to be dated as of the date of the sale of the Series 2019B Bonds with such changes, insertions and omissions to the draft Official Statement as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable. After execution, any Authorized Officer of the Authority is hereby authorized to deliver to the purchasers of the Series 2019B Bonds an executed copy or copies of such Official Statement and any amendments or supplements thereto.

**Section 5.05 Execution and Delivery of Documents.** Any Authorized Officer of the Authority is hereby authorized to execute and deliver, in the name and on behalf of the Authority, any and all documents and instruments and to do and cause to be done any and all acts and things, that said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Series 2019B Bonds and to carry out the transactions contemplated by this Series 2019B Resolution.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.01 Authority to Deliver this Series 2019B Resolution.** An Authorized Officer of the Authority is hereby authorized and directed to deliver this Series 2019B Resolution with such changes, insertions and omissions as may be approved by such Authorized Officer, such delivery being conclusive evidence of such approval; provided, however, that such changes, insertions and omissions shall not conflict with the provisions of the Resolution and shall be necessary to effectuate the intent of this Series 2019B Resolution.

**Section 6.02 When Effective.** This Series 2019B Resolution shall take effect immediately upon its adoption.