
Trust Indenture

between

Manor Housing Public Facility Corporation,
as Issuer

and

BOKF, NA,
as Trustee

Relating to

\$60,815,000
Manor Housing Public Facility Corporation
Multifamily Housing Revenue Bonds
(Tower Road Apartments),
Series 2024

Dated as of October 1, 2024

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Trust Indenture

This Trust Indenture dated as of October 1, 2024 (this “*Indenture*”), is made between the Manor Housing Public Facility Corporation (the “*Issuer*”), a public facility corporation organized and existing under the laws of the State of Texas, and BOKF, NA, a national banking association, as trustee (the “*Trustee*”), under the circumstances summarized in the following recitals (the capitalized terms used in the recitals and granting clauses and not defined therein are as defined in Article I hereof):

WHEREAS, the Issuer has been duly incorporated and organized pursuant to and in accordance with the provisions of the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “*Act*”) by the City of Manor, Texas (the “*Sponsor*”), a Texas Home Rule Municipality, to finance or provide for the acquisition, construction, equipping, furnishing, and placement in service of public facilities, including qualified residential rental projects, in an orderly, planned manner and at the lowest possible borrowing costs; and

WHEREAS, pursuant to the Act, a “public facility” includes a qualified residential rental project; and

WHEREAS, the Act authorizes the Issuer to (a) issue bonds (which are defined in the Act to include notes, interim certificates or other evidences of indebtedness) to finance, refinance or provide public facilities on behalf of the Sponsor; (b) loan the proceeds of the obligations to other entities to accomplish the purposes of the Sponsor; (c) use the proceeds of its bonds to maintain reserve funds determined by the Sponsor and the Issuer to be necessary and appropriate; (d) pay any costs relating to the issuance or incurrence of bonds by the Issuer; and (e) accept a mortgage or pledge of a public facility financed by the Issuer and, as security for the payment of any connected bonds or credit agreements that the Issuer issues or incurs, assign the mortgage or pledge and the revenue and receipts from the mortgage or pledge or grant other security; and

WHEREAS, pursuant to and in accordance with the laws of the State, including without limitation, the Act, the Issuer has determined to issue and sell the Bonds in the aggregate principal amount of \$60,815,000 and to use the proceeds to be derived from the sale thereof to make the Loan to the Borrower pursuant to the Loan Agreement to assist in the financing of the Project to be undertaken by the Borrower; and

WHEREAS, to evidence its obligation to repay the Loan, the Borrower will execute and deliver the Note; and

WHEREAS, the Bonds will be secured by this Indenture, and the Issuer is authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on its part; and

WHEREAS, all acts and conditions required to happen, exist and be performed precedent to and in the issuance of the Bonds and the execution and delivery of this Indenture have happened, exist and have been performed, or at the delivery of the Bonds will exist, will have happened and will have been performed (i) to make the Bonds, when issued, delivered and authenticated, valid

obligations of the Issuer in accordance with the terms thereof and hereof and (ii) to make this Indenture a valid, binding and legal trust agreement for the security of the Bonds in accordance with its terms; and

WHEREAS, the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise (“*Freddie Mac*”) has entered into a commitment with JLL Real Estate Capital, LLC, a Delaware limited liability company (the “*Freddie Mac Seller/Servicer*”) dated October __, 2024 (the “*Freddie Mac Commitment*”) whereby Freddie Mac has committed, subject to the satisfaction on or before the Initial Mandatory Tender Date (as can be extended pursuant to the terms hereof) of the Conditions to Conversion set forth in the Construction Phase Financing Agreement among the Lender, the Freddie Mac Seller/Servicer and Freddie Mac (the “*Construction Phase Financing Agreement*”) and the Freddie Mac Commitment, to facilitate the refunding of the Bonds by purchasing a note evidencing a tax-exempt loan (the “*Funding Loan*”) made by the Freddie Mac Seller/Servicer to the Issuer;

WHEREAS, in the event the Conditions to Conversion set forth in the Construction Phase Financing Agreement and certain other material conditions are met, the Freddie Mac Seller/Servicer will, if issued, purchase the note evidencing the Funding Loan from the Issuer, the proceeds of which will be loaned to the Borrower pursuant to the terms of a commitment between the Freddie Mac Seller/Servicer and the Borrower; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture, and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of Bond Service Charges on the Bonds according to their true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained therein and herein, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders, and for other good and valuable consideration, the receipt of which is acknowledged, the Issuer has executed and delivered this Indenture and absolutely assigns hereby to the Trustee, and to its successors in trust, and its and their assigns, all right, title and interest of the Issuer in and to (i) the Revenues, including, without limitation, all Loan Payments, Collateral Payments and other amounts receivable by or on behalf of the Issuer under the Loan Agreement in respect of repayment of the Loan other than amounts received by the Issuer with respect to Reserved Rights, (ii) the Special Funds, including all accounts in those Funds and all money deposited therein and the investment earnings on such money, (iii) the proceeds derived from the sale of the Bonds, and any securities in which money in the Special Funds is invested, and (except for money required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind pledged, assigned or transferred, as and for additional security hereunder by the Issuer or by anyone on its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Indenture,

(iv) the Note and (v) the Loan Agreement, except for the Reserved Rights (the foregoing collectively referred to as the “Trust Estate”),

To Have and To Hold unto the Trustee and its successors in that trust and its and their assigns forever;

But in Trust, Nevertheless, and subject to the provisions hereof,

(a) except as provided otherwise herein, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds issued or to be issued under and secured by this Indenture,

(b) for the enforcement of the payment of the Bond Service Charges, when payable, according to the true intent and meaning thereof and of this Indenture, and

(c) to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of this Indenture,

in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond and all Bonds shall have the same right, lien and privilege under this Indenture and shall be secured equally and ratably hereby, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of the actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value; *provided, however*, that

(i) if the principal of the Bonds and the interest due or to become due thereon shall be well and truly paid, at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the outstanding Bonds shall have been paid and discharged in accordance with Article VIII hereof, and

(ii) if all of the covenants, agreements, obligations, terms and conditions of the Issuer under this Indenture shall have been kept, performed and observed and there shall have been paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof,

this Indenture and the rights assigned hereby shall cease, determine and be void, except as provided in Section 8.03 hereof with respect to the survival of certain provisions hereof; otherwise, this Indenture shall be and remain in full force and effect.

It is declared that all Bonds issued hereunder and secured hereby are to be issued, authenticated and delivered, and that the Trust Estate assigned hereby is to be dealt with and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture. The Issuer has agreed and covenanted, and agrees and covenants with the Trustee and with each and all Holders, as follows:

Article I

Definitions

Section 1.01. Definitions. In addition to the words and terms defined elsewhere in this Indenture or by reference to the Loan Agreement, unless the context or use clearly indicates another meaning or intent:

“*Act*” means the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended.

“*Act of Bankruptcy*” means written notice to the Trustee that the Borrower has become insolvent or has failed to pay its debts generally as such debts become due or has admitted in writing its inability to pay any of its indebtedness or has consented to or has petitioned or applied to any court or other legal authority for the appointment of a receiver, liquidator, trustee or similar official for itself or for all or any substantial part of its properties or assets or that any such trustee, receiver, liquidator or similar official has been appointed or that a petition in bankruptcy, insolvency, reorganization or liquidation proceedings (or similar proceedings) has been instituted by or against the Borrower; *provided* that, if in the case of an involuntary proceeding, such proceeding is not dismissed within ninety (90) days after commencement thereof.

“*Additional Payments*” means the amounts required to be paid by the Borrower pursuant to the provisions of Section 4.4 of the Loan Agreement.

“*Administrative Expenses*” means the Ordinary Trustee Fees and Expenses and the Dissemination Agent Fee.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“*Authorized Borrower Representative*” means any person who, at any time and from time to time, is designated as the Borrower’s authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by or on behalf of any authorized general partner of the Borrower if the Borrower is a general or limited partnership, by any authorized managing member of the Borrower if the Borrower is a limited liability company, or by any authorized officer of the Borrower if the Borrower is a corporation, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person’s authority to act in such capacity. The initial Authorized Borrower Representative is the President of the sole member of the General Partner.

“Authorized Denomination” means \$5,000, or any integral multiple of \$1,000 in excess thereof.

“Authorized Official” means the President or Secretary of the Issuer and any other officer or employee of the Issuer designated by certificate of any of the foregoing as authorized by the Issuer to perform a specified act, sign a specified document or otherwise take action with respect to the Bonds. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Official is an Authorized Official until such time as such provider files with it a written certificate identifying a different person or persons to act in such capacity.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.

“Beneficial Owner” means with respect to the Bonds, the Person owning the Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee.

“Beneficial Ownership Interest” means the right to receive payments and notices with respect to the Bonds held in a Book-Entry System.

“Bond Counsel” means Bickerstaff Heath Delgado Acosta LLP or other counsel selected by the Issuer and nationally recognized as having an expertise in connection with the excludability of interest on obligations of states and local governmental units from gross income for federal income tax purposes.

“Bond Documents” means, collectively, the Indenture, the Loan Agreement, the Note, the Tax Regulatory Agreement, the Tax Exemption Agreement and the Project Certificate.

“Bond Fund” means the Bond Fund created in Section 4.01 hereof.

“Bond Payment Date” means each Interest Payment Date and any other date Bond Service Charges on the Bonds are due, whether at maturity, Mandatory Tender, upon redemption or acceleration or otherwise.

“Bond Purchase Agreement” means the Purchase Contract, dated October 18, 2024, among the Underwriter, the Issuer and the Borrower.

“Bond Resolution” means the certain resolution relating to the issuance and sale of the Bonds, adopted by the Governing Body on October 16, 2024.

“Bond Service Charges” means, for any period or payable at any time, the principal of and interest on the Bonds for that period or payable at that time whether due at maturity, Mandatory Tender or upon redemption or acceleration.

“*Bonds*” means the Issuer’s Multifamily Housing Revenue Bonds (Tower Road Apartments), Series 2024 authorized in the Bond Resolution and Section 2.01 hereof in an aggregate principal amount of \$60,815,000.

“*Book-Entry Form*” or “*Book-Entry System*” means, with respect to the Bonds, a form or system, as applicable, under which (a) physical Bond certificates in fully registered form are issued only to a Depository or its nominee, with the physical Bond certificates “immobilized” in the custody of the Depository and (b) the ownership of book-entry interests in Bonds and Bond Service Charges thereon may be transferred only through a book-entry made by others than the Issuer or the Trustee. The records maintained by others than the Issuer or the Trustee constitute the written record that identifies the owners, and records the transfer, of book-entry interests in those Bonds and Bond Service Charges thereon.

“*Borrower*” means Manor Leased Housing Associates I, Limited Partnership, a Texas limited partnership, and its authorized successors and assigns.

“*Borrower Documents*” means the Financing Documents to which the Borrower is a party.

“*Business Day*” means a day other than a Saturday or a Sunday or any other day on which (a) banking institutions in the City of New York or in the city in which the Designated Office of the Trustee is located is authorized or obligated by law or executive order to be closed, or (b) the New York Stock Exchange is closed.

“*Cash Flow Projection*” means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Borrower and acceptable to the Rating Agency, establishing, to the satisfaction of the Rating Agency, the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Special Funds during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay Bond Service Charges and the Administrative Expenses, the Issuer’s Administrative Fee and the Rebate Analyst’s Fee, in each instance, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds; (ii) a proposed remarketing of the Bonds, as provided in Section 3.07 hereof; (iii) a release of Eligible Funds from the Negative Arbitrage Account as provided in Section 4.03 hereof; (iv) the purchase, sale or exchange of Eligible Investments as provided in Section 4.10 hereof; and (v) the optional redemption of the Bonds as provided in Section 3.01(a) hereof, including in the event that the Trustee intends to sell or otherwise dispose of Eligible Investments prior to maturity or at a price below par.

[“*Class B Limited Partner*” means Manor Leased Housing Associates LP I, LLC.]

“*Closing Date*” means October 29, 2024.

“*Code*” means the Internal Revenue Code of 1986, as amended and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated

under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“*Collateral Fund*” means the Collateral Fund created in Section 4.01 hereof.

“*Collateral Payments*” means Eligible Funds paid to the Trustee for the benefit of the Borrower in respect to the repayment of the Loan for deposit into the Collateral Fund pursuant to Section 4.2 of the Loan Agreement and Section 4.06 hereof as a prerequisite to the advance of money in the Project Fund.

“*Completion Certificate*” means the certificate attached as Exhibit C to the Loan Agreement.

“*Completion Date*” means the date of completion of the Project evidenced in accordance with the requirements of Section 3.9 of the Loan Agreement.

“*Continuing Disclosure Agreement*” means the Continuing Disclosure Agreement dated as of October 1, 2024, between the Borrower and the Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“*Controlling Holders*” means in the case of consent or direction to be given hereunder, the Holders of the majority in aggregate principal amount of the outstanding Bonds.

“*Costs of Issuance*” means costs to the extent incurred in connection with, and allocable to, the issuance of the Bonds within the meaning of Section 147(g) of the Code. For example, Costs of Issuance include the following costs, but only to the extent incurred in connection with, and allocable to, the borrowing: underwriters’ spread; counsel fees; financial advisory fees; fees paid to an organization to evaluate the credit quality of an issue; trustee fees; paying agent fees; bond registrar, certification and authentication fees; accounting fees; printing costs for bonds and offering documents; public approval process costs; engineering and feasibility study costs; guarantee fees, other than qualified guarantees; and similar costs.

“*Costs of Issuance Fund*” means the Costs of Issuance Fund created in Section 4.01 hereof.

“*Depository*” means, with respect to the Bonds, DTC, until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, Depository shall mean the successor Depository. Any Depository shall be a securities depository that is a clearing agency under a federal law operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of book-entry interests in Bonds and to effect transfers of book-entry interests in Bonds.

“*Designated Office*” means the office of the Trustee at the Notice Address set forth in this Indenture or, solely for purposes of presentation for transfer, payment or exchange of the Bonds, the designated corporate trust operations or agency office of the Trustee at 1707 Grand Boulevard,

Kansas City, Missouri 64108, or at such other address as may be specified in writing by the Trustee, as provided in Section 11.03 hereof.

“*Disbursement Agreement*” means the Loan Disbursement Agreement dated as of October 1, 2024, among the Lender, the Trustee, and the Borrower, as amended, supplemented or restated from time to time, relating to the funding of Mortgage Loan advances with the proceeds of the Bonds in exchange for Collateral Payments and the advance of other amounts as set forth therein.

“*Dissemination Agent*” means BOKF, NA, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

“*Dissemination Agent Fee*” means the fee payable to the Dissemination Agent as compensation for its services and the reimbursement to the Dissemination Agent of its expenses in performing its obligations under the Continuing Disclosure Agreement; *provided, however*, the amount of the Dissemination Agent Fee payable under this Indenture is limited to money withdrawn from the Expense Fund and the Borrower will be responsible to pay the remaining amount of the Dissemination Agent Fee pursuant to Section 4.4 of the Loan Agreement. Initially the Dissemination Agent Fee shall be \$[] annually payable in advance of the Closing Date and each March 1 thereafter.

“*DTC*” means The Depository Trust Company (a limited purpose trust company), New York, New York, and its successors or assigns.

“*DTC Participant*” means any participant contracting with DTC under its Book-Entry System and includes securities brokers and dealers, banks and trust companies and clearing corporations.

“*Eligible Funds*” means, as of any date of determination, any of:

(a) the proceeds of the Bonds (including any additional amount paid by the Underwriter to the Trustee as the purchase price of the Bonds or otherwise paid upon conversion or optional redemption);

(b) money received by the Trustee representing advances to the Borrower of proceeds of the Mortgage Loan and proceeds of the Funding Loan;

(c) remarketing proceeds of the Bonds (including any additional amount paid by the Remarketing Agent to the Trustee as the remarketing price of the Bonds) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer or any Affiliate of either the Borrower or the Issuer);

(d) any other amounts, including the proceeds of refunding bonds, for which the Trustee has received an Opinion of Counsel (which opinion may assume that no Holder or Beneficial Owner of Bonds is an “insider” within the meaning of the Bankruptcy Code) to the effect that (A) the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code or that relief from the automatic stay

provisions of such Section 362(a) would be available from the bankruptcy court and (B) payments of such amounts to Holders would not be avoidable as preferential payments under Section 547 or 550 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(e) the proceeds of draws by the Trustee on any letter of credit provided to the Trustee for the benefit of the Borrower;

(f) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, *provided* that no Act of Bankruptcy has occurred during such period;

(g) investment income derived from the investment of the money described in (a) through (f) above.

“Eligible Investments” means any of the following investments that mature (or are redeemable at the option of the Borrower without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of this Indenture:

(i) Government Obligations; and

(ii) to the extent permitted herein, shares or units in any money market mutual fund rated “Aaa-mf” by Moody’s (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security) including mutual funds of the Trustee or its Affiliates or for which the Trustee or an Affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consist solely of direct obligations of the government of the United States of America.

Eligible Investments shall not include the following: (1) any investment with a final maturity or any agreement with a term ending later than the earlier of (i) the current Mandatory Tender Date in effect at the time of investment, and (ii) the Maturity Date (except obligations that provide for the optional or mandatory tender, at par, by the holder of such obligations at any time), and (2) any investment that may be prepaid or called at a price less than its purchase price prior to stated maturity.

“Event of Default” means (a) with respect to this Indenture, any of the events described as an Event of Default in Section 6.01 hereof and (b) with respect to the Loan Agreement, any of the events described as an Event of Default in Section 7.1 of the Loan Agreement.

“Expense Fund” means the Expense Fund created in Section 4.01 hereof.

“Extraordinary Issuer Fees and Expenses” means the fees, expenses and disbursements payable to the Issuer under this Indenture or any other Financing Document for Extraordinary

Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Issuer, Bond Counsel and counsel to the Issuer which are to be paid by the Borrower pursuant to Section 4.4 of the Loan Agreement.

“Extraordinary Services” and *“Extraordinary Expenses”* mean all services rendered and all reasonable expenses properly incurred by the Trustee or the Issuer under this Indenture, the Loan Agreement or any other Financing Document, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include but are not limited to services rendered or expenses incurred by the Trustee or the Issuer in connection with, or in contemplation of, a default or an Event of Default.

“Extraordinary Trustee Fees and Expenses” means the expenses and disbursements payable to the Trustee under this Indenture for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Trustee and the Trustee’s counsel which are to be paid by the Borrower pursuant to Section 4.4 of the Loan Agreement.

“Favorable Opinion of Bond Counsel” means, with respect to any action, or omission of an action, the taking or omission of which requires such an opinion, an Opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes (subject to the inclusion of any exceptions contained in the opinion delivered upon the original issuance of the Bonds or other customary exceptions acceptable to the recipient(s) thereof).

“Federal Tax Status” means, as to the Bonds, the status of the interest on the Bonds as excludable from gross income for federal income tax purposes (except on any Bond during any period during which it is held by a “substantial user” or “related person” to such a substantial user within the meaning of Section 147(a) of the Code).

“Financing Documents” means this Indenture, the Bonds, the Loan Agreement, the Note, the Disbursement Agreement, the Tax Exemption Agreement, the Tax Regulatory Agreement, the Project Certificate, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement and any other instrument or document executed in connection with the Bonds, together with all modifications, extensions, renewals and replacements thereof, but excluding the Mortgage Loan Documents and any secondary financing documents, and any documents relating to low income housing tax credit equity.

“Fiscal Year” means, with respect to a Person, that period beginning on January 1 of each year and ending on December 31 of that year or such other fiscal year as shall be designated by such Person as its annual accounting period.

“Force Majeure” means any of the causes, circumstances or events described as constituting Force Majeure in Section 7.1 of the Loan Agreement.

“Freddie Mac Seller/Service” means JLL Real Estate Capital, LLC, a Delaware limited liability company.

“*Funding Loan*” means the tax-exempt loan, if originated, made by the Freddie Mac Seller/Service to the Issuer, in the maximum principal amount of \$[].

“*General Partner*” means MHPFC TRGP1 LLC, a Texas limited liability company, and its permitted successors and assigns.

“*Governing Body*” means the Board of Directors of the Issuer.

“*Government*” shall mean the government of the United States of America, the government of any other nation, any political subdivision of the United States of America or any other nation (including, without limitation, any state, territory, federal district, municipality or possession) and any department, agency or instrumentality thereof; and “*Governmental*” shall mean of, by, or pertaining to any Government.

“*Government Obligations*” (i) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (ii) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“*Highest Rating Category*” means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below “Aaa” or “Aaa/VMIG 1” if rated by Moody’s or “A-1+” or “AA+” if rated by S&P.

“*Holder*” or “*Holder of a Bond*” means the Person in whose name a Bond is registered on the Register.

“*Indenture*” means this Trust Indenture, dated as of October 1, 2024, between the Issuer and the Trustee, as amended or supplemented from time to time.

“*Independent*” when used with respect to a specified Person means such Person has no specific financial interest direct or indirect in the Borrower or any Affiliate of the Borrower and in the case of an individual is not a director, trustee, officer, partner, member or employee of the Borrower or any Affiliate of the Borrower and in the case of an entity, does not have a partner, director, trustee, officer, member or employee who is a director, trustee, partner, member, officer or employee of any partner or member of the Borrower or any Affiliate of the Borrower.

“*Initial Bond*” means the initial Bond registered by the Texas Comptroller of Public Accounts and subsequently canceled and replaced by a definitive Bond pursuant to this Indenture.

“*Initial Interest Rate*” means []%

“Initial Mandatory Tender Date” means November 1, 2027.

“Interest Payment Date” means (a) each May 1 and November 1 of each year beginning May 1, 2025, (b) each Mandatory Tender Date and (c) each Redemption Date. In the case of a payment of defaulted interest, *“Interest Payment Date”* also means the date of such payment established pursuant to Section 2.05 hereof.

“Interest Period” means, initially, the period from the Closing Date to and including May 1, 2025, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the day preceding the next Interest Payment Date.

“Interest Rate” means the Initial Interest Rate to, but not including, the Initial Mandatory Tender Date, and thereafter the applicable Remarketing Rate.

“Interest Rate for Advances” means the rate per annum that is two percent (2%) *plus* that interest rate announced by the Trustee or one of its Affiliates in its lending capacity as a bank as its *“Prime Rate”* or its *“Base Rate,”* but in no event to exceed the highest interest rate permitted by applicable law.

“Issuance Fee” means a fee equal to 0.50% of the initial aggregate principal amount of the Bonds, which is payable on the Closing Date to the Issuer from funds provided by or on behalf of the Borrower.

“Issuer” means the Manor Housing Public Facility Corporation, a nonprofit public facility corporation duly organized and validly existing under the laws of the State of Texas, and particularly the Act.

“Issuer Documents” means the Financing Documents to which the Issuer is a party.

“Issuer Fees and Expenses” means the Extraordinary Issuer Fees and Expenses.

“Issuer Indemnified Persons” means the Issuer, the Governing Body, the Sponsor, and each and all of their respective past, present and future directors, board members, governing members, trustees, officers, employees, attorneys, agents and advisers (including counsel and financial advisors).

“Issuer’s Administrative Fee” means the annual fee of the Issuer in an amount equal to 0.125% of the initial aggregate principal amount of the Bonds, payable in advance by the Trustee to the Issuer from the Expense Fund on each anniversary of the Closing Date, beginning [October 11], 2024, so long as the Bonds are outstanding; *provided, however,* that the Issuer’s Administrative Fee discounted to present value using a discount rate of 3.879% due on October[,], 2024 through October [,], 2041, will be paid on the Closing Date to the Issuer from funds provided by or on behalf of the Borrower. The Issuer’s Administrative Fee amount paid upon the Closing Date shall equal \$959,634.

“Lender” means *Associated Bank, National Association*, and its successors and assigns.

“*Limited Partner*” means RBC Community Investments, LLC, an Illinois limited liability company, and its permitted successors and assigns.

“*Loan*” means the loan by the Issuer to the Borrower of the proceeds received from the sale of the Bonds.

“*Loan Agreement*” means the Loan Agreement dated as of October 1, 2024, between the Issuer and the Borrower, as amended or supplemented from time to time and assigned by the Issuer to the Trustee, except for the Reserved Rights.

“*Loan Payments*” means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and Section 4.1 of the Loan Agreement.

“*Mandatory Tender*” means a tender of the Bonds required by Section 3.02 hereof.

“*Mandatory Tender Date*” means (i) the Initial Mandatory Tender Date and (ii) if the outstanding Bonds are remarketed pursuant to Article III for a Remarketing Period that does not extend to the final maturity of the Bonds, the Remarketing Date following such Remarketing Period.

“*Maturity Date*” means November 1, 2042.

“*Maximum Interest Rate*” means the interest rate equal to the lesser of: (a) 12% per annum, or (b) the maximum interest rate per annum permitted by applicable State law.

“*Median Family Income*” means the median gross income for the area in which the Project is located, as published from time to time by the Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937, as amended, or as otherwise determined pursuant to said section.

“*Moody’s*” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Trustee and the Remarketing Agent.

“*Mortgage Loan*” means the mortgage loan to be made from the Lender to the Borrower in the principal amount of \$60,815,000.

“*Mortgage Loan Documents*” means the mortgage, the mortgage note, and all other documents required by the Lender in connection with the Mortgage Loan.

“*Negative Arbitrage Account*” means the Negative Arbitrage Account of the Bond Fund created in Section 4.01 hereof.

“*Net Proceeds of the Bonds*” means the proceeds of the Bonds less any amounts used for Costs of Issuance.

“*Note*” means the promissory note of the Borrower, dated as of even date with the Bonds initially issued, in the form attached as Exhibit A to the Loan Agreement and in the principal amount of \$60,815,000, evidencing the obligation of the Borrower to make Loan Payments.

“*Notice Address*” means:

To the Issuer:	Manor Housing Public Facility Corporation 105 E Eggleston Street Manor, Texas 78653 Attention: City Manager
With a copy to:	Bickerstaff Heath Delgado Acosta LLP 1601 S. MoPac Expressway, Suite C400 Austin, Texas 78746 Attention: Gregory Miller
To the Trustee:	BOKF, NA 1401 McKinney, Suite 1000 Houston, Texas 77010 Attention: Rosalyn Davis
To the Borrower:	Manor Leased Housing Associates I, Limited Partnership c/o Dominion Development & Acquisition, LLC 2905 Northwest Boulevard, Suite 150 Plymouth, Minnesota 55441 Attention: Neal Route and Mark Moorhouse
With a copy to:	Winthrop & Weinstine, P.A. 225 South Sixth Street, Suite 3500 Minneapolis, Minnesota 55402 Attention: Paul Manda and Jeff Drennan
To the Limited Partner:	c/o RBC Community Investments, LLC o 600 Superior Avenue o Suite 2300 o Cleveland, Ohio 44114 o Attention: President and General Counsel
With a copy to:	Nixon Peabody LLP o Exchange Place

o 53 State Street
o Boston, Massachusetts 02109
o Attention: Roger W. Holmes

To the Rating Agency: Moody's Investors Service, Inc.
250 Greenwich Street
New York, New York 10007

To the Remarketing Agent: Stifel, Nicolaus & Company, Incorporated
639 Loyola Avenue, Suite 200
New Orleans, Louisiana 70113
Attention: John Sabatier

To the Lender: Associated Bank, National Association

[need address]

With a copy to: Fabyanske Westra Hart & Thomson
80 South 8th Street, Suite 1900
Minneapolis, MN 55402
Attention: Rory Dugan

or such additional or different address, notice of which is given under Section 12.03 hereof.

"Official Statement" means the Official Statement dated October [___], 2024, relating to the Bonds.

"Opinion of Bond Counsel" means an opinion of Bond Counsel.

"Opinion of Counsel" means an opinion from an attorney or firm of attorneys, acceptable to the Trustee, with experience in the matters to be covered in the opinion.

"Optional Redemption Date" means November 1, 2027, or any Business Day thereafter.

"Ordinary Services" and *"Ordinary Expenses"* mean those services normally rendered, and those expenses normally incurred, by a trustee under instruments similar to this Indenture.

"Ordinary Trustee Fees and Expenses" means amounts due to the Trustee for the Ordinary Services and the Ordinary Expenses of the Trustee incurred in connection with its duties under this Indenture, and for its duties as Dissemination Agent, including, but not limited to (i) the annual administrative fee of the Trustee payable annually in advance on the Closing Date and on each October 1 thereafter while the Bonds are outstanding in an annual amount equal to \$[4,000], and (ii) the acceptance fee of the Trustee of \$2,000 payable on the Closing Date; *provided, however,*

the amount of Ordinary Trustee Fees and Expenses payable under this Indenture is limited to money withdrawn from the Costs of Issuance Fund and the Expense Fund and the Borrower will be responsible to pay the remaining amount of the Ordinary Trustee Fees and Expenses pursuant to Section 4.4 of the Loan Agreement. In addition, all amounts due to the Trustee for Extraordinary Services and all Extraordinary Expenses of the Trustee will be paid directly by the Borrower pursuant to Section 4.4 of the Loan Agreement.

“*Organizational Documents*” means the Amended and Restated Agreement of Limited Partnership of the Borrower, as it may be amended from time to time.

“*Outstanding Bonds*,” “*Bonds outstanding*” or “*outstanding*” as applied to Bonds mean, as of the applicable date, all Bonds which have been authenticated and delivered, or which are being delivered by the Trustee under this Indenture, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment on or prior to that date;

(b) Bonds, or the portion thereof, for the payment or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee on or prior to that date for that purpose (whether upon or prior to the maturity of those Bonds);

(c) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Indenture; and

(d) Bonds in lieu of which others have been authenticated under Section 2.07 of this Indenture.

“*Permitted Liens*” means liens relating to the Project permitted by the Mortgage Loan Documents and as set forth in the title policy issued to the Lender.

“*Person*” or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, limited liability companies, public or governmental bodies, other legal entities and natural persons.

“*Plans and Specifications*” means the plans and specifications describing the Project as of the Closing Date and as they may be changed as provided in the Loan Agreement.

“*Predecessor Bond*” of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by the particular Bond. For the purposes of this definition, any Bond authenticated and delivered under Section 2.07 hereof in lieu of a lost, stolen or destroyed Bond shall, except as otherwise provided in Section 2.07, be deemed to evidence the same debt as the lost, stolen or destroyed Bond.

“*Project*” means the Tower Road Apartments containing approximately 324 units and located at or near 12100 Tower Road, Manor, Texas 78653.

“*Project Certificate*” means the Project Certificate, dated the Closing Date, executed by the Borrower in connection with the issuance of the Bonds.

“*Project Costs*” means the costs of the Project specified in Section 3.6 of the Loan Agreement.

“*Project Fund*” means the Project Fund created in Section 4.01 hereof.

“*Purchase Price*” has the meaning specified for such term in Section 3.02(a) hereof.

“*Qualified Project Costs*” means the actual costs incurred to acquire, construct and equip the Project which (i) are or were incurred after September 20, 2023, (ii) are (a) chargeable to the Project’s capital account or would be so chargeable either with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs, within the meaning of Treasury Regulation Section 1.103-8(a)(1), and if charged or chargeable to the Project’s capital account are or would have been deducted only through an allowance for depreciation or (b) made for the acquisition of land, to the extent allowed in Section 147(c) of the Code and (iii) are made exclusively with respect to a “qualified residential rental project” within the meaning of Section 142(d) of the Code and subject in all respects to the Tax Exemption Agreement and the Project Certificate.

“*Rating Agency*” means Moody’s Investor Services, Inc., or any other national recognized securities rating agency rating the Bonds, or such rating agency’s successors or assigns, and initially means Moody’s Investor Services, Inc. so long as Moody’s Investor Services, Inc. is rating the Bonds.

“*Rating Category*” means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

“*Rebate Amount*” means any amounts owed in connection with the rebate requirements contained in Section 148(f) of the Code and the Regulations and as set forth in the Tax Exemption Agreement.

“*Rebate Analyst*” means Hilltop Securities Inc. or any other rebate analyst selected by the Issuer and reasonably acceptable to the Borrower.

“*Rebate Analyst Fee*” means the fee payable by the Borrower pursuant to Section 4.4 of the Agreement, annually in arrears to the Rebate Analyst on each January 1 in the amount of \$1,800, commencing on January 1, 2026, so long as any of the Bonds are Outstanding.

“*Rebate Fund*” means the Rebate Fund created in Section 4.09 hereof.

“*Redemption Date*” means any date on which the Bonds are to be redeemed pursuant to this Indenture.

“*Register*” means the books kept and maintained by the Trustee for registration and transfer of Bonds pursuant to Section 2.06 hereof.

“*Regular Record Date*” means, with respect to any Bond, the fifteenth day of the calendar month next preceding each Interest Payment Date.

“*Regulations*” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“*Remarketing Agent*” means initially, Stifel, Nicolaus & Company, Incorporated, and any successor Remarketing Agent that may be designated in accordance with Section 5.15 hereof.

“*Remarketing Agreement*” means the Remarketing Agreement dated as of October 1, 2024, between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“*Remarketing Date*” means the date on which the Bonds are initially remarketed and, if the outstanding Bonds on such date or on any subsequent Remarketing Date are remarketed pursuant to this Indenture for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“*Remarketing Expenses*” means the reasonable costs and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Issuer and its counsel and financial advisor, and Bond Counsel in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, rating agency fees, the costs of a Cash Flow Projection and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

“*Remarketing Notice Parties*” means the Borrower, the Issuer, the Trustee, the Remarketing Agent, the Limited Partner and the Rating Agency.

“*Remarketing Period*” means the period beginning on a Remarketing Date and ending on the last day of the term for which Bonds are remarketed pursuant to Section 3.07 hereof or the final Maturity Date of the Bonds, as applicable.

“*Remarketing Proceeds Account*” means the Remarketing Proceeds Account of the Bond Fund created in Section 4.01 hereof.

“*Remarketing Rate*” means the interest rate or rates established pursuant to Article III and borne by the Bonds then outstanding from and including the Mandatory Tender Date to, but not including, the immediately succeeding Mandatory Tender Date or the Maturity Date, as applicable.

“Reserved Rights” of the Issuer means (a) all of the Issuer’s right, title and interest in and to all reimbursement, costs, expenses and indemnification; (b) the right of the Issuer to amounts payable to it pursuant to Section 4.4 of the Loan Agreement, including but not limited to the Issuer Fee and Expenses, the Issuance Fee and the Issuer’s Administrative Fee; (c) all rights of the Issuer to receive any Rebate Amount; (d) all rights of the Issuer to receive notices, reports or other information, and to make determinations and grant approvals or consent hereunder and under the other Financing Documents; (e) all rights of the Issuer of access to the Project and documents related thereto and to specifically enforce the representations, warranties, covenants and agreements of the Borrower set forth in the Tax Exemption Agreement and in the Tax Regulatory Agreement; (f) any and all rights, remedies and limitations of liability of the Issuer set forth in this Indenture, the Loan Agreement, the Tax Exemption Agreement, the Tax Regulatory Agreement, the or the Note, as applicable, regarding (1) the negotiability, registration and transfer of the Bonds, (2) the loss or destruction of the Bonds, (3) the limited liability of the Issuer as provided in the Act, this Indenture, the Loan Agreement, the Tax Exemption Agreement, the Tax Regulatory Agreement or the Note, (4) the maintenance of insurance by the Borrower, (5) no liability of the Issuer to third parties, and (6) no warranties of suitability or merchantability by the Issuer; (g) all rights of the Issuer in connection with any amendment to or modification of this Indenture, the Loan Agreement, the Tax Exemption Agreement, the Tax Regulatory Agreement, and the Note, (h) any and all limitations of the Issuer’s liability and the Issuer’s disclaimers of warranties set forth in this Indenture, the Tax Exemption Agreement, the Tax Regulatory Agreement or the Loan Agreement, and the Issuer’s right to inspect and audit the books, records and permits of the Borrower and the Project, and (i) all enforcement remedies with respect to the foregoing.

“Revenues” means (a) the Loan Payments, (b) the Collateral Payments, (c) all other money received or to be received by the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (d) any money and investments in the Project Fund and the Collateral Fund, and (e) all income and profit from the investment of the foregoing money. The term “Revenues” does not include any money or investments in the Rebate Fund or Additional Payments or other payments or amounts with respect to the Reserved Rights.

“S&P” means S&P Global Ratings, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Remarketing Agent.

“Special Funds” means, collectively, the Bond Fund, the Project Fund and the Collateral Fund, and any accounts therein, all as created in this Indenture.

“Special Limited Partner” means RBC Community Investments Manager II, Inc., a Delaware corporation, and its permitted successors and assigns.

“Special Record Date” means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest or principal on that Bond.

“Sponsor” means the City of Manor, Texas.

“State” means the State of Texas.

“*Supplemental Indenture*” means any indenture supplemental to this Indenture entered into between the Issuer and the Trustee in accordance with Article VII hereof.

“*Tax Exemption Agreement*” means the Tax Exemption Certificate and Agreement dated October 29, 2024, between the Issuer and the Borrower, as amended or supplemented from time to time.

“*Tax Regulatory Agreement*” means the Regulatory Agreement and Declaration of Restrictive Covenants dated as of October 1, 2024, among the Issuer, the Borrower and the Trustee, as amended or supplemented from time to time.

“*Tendered Bond*” means any Bond which has been tendered for purchase pursuant to a Mandatory Tender.

“*Trust Estate*” means the property rights, money, securities and other amounts pledged and assigned to the Trustee hereunder pursuant to the Granting Clauses hereof.

“*Trustee*” means BOKF, NA, a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, “Trustee” shall mean the successor Trustee.

“*Trustee Indemnified Persons*” means the Trustee and each and all of its past, present and future directors, officers, employees, attorneys, agents and advisers (including counsel).

“*Underwriter*” means Stifel, Nicolaus & Company, Incorporated, a Missouri corporation.

“*Unredeemed Bonds*” means, on any Mandatory Tender Date, Bonds that are not scheduled to be redeemed pursuant to Section 3.01(a) hereof.

“*Untendered Bond*” has the meaning specified for such term in Section 3.07(a) hereof.

Section 1.02. Interpretation. Any reference herein to the Issuer, to the Governing Body or to any member or officer of either includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions. Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of any statute of the State or of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; *provided*, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the Holders, the Trustee or the Borrower under the Bond Resolution, the Bonds, the Financing Documents or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay Bond Service Charges in the amount and manner, at the times, and from the sources provided in the Bond Resolution and this Indenture, except as permitted herein.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa. The terms “hereof,” “hereby,” “herein,” “hereto,” “hereunder,” “hereinafter” and similar terms refer to this Indenture; and the term “hereafter” means after, and the term “heretofore” means before, the date of this Indenture. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Section 1.03. Captions and Headings. The captions and headings in this Indenture are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

Section 1.04. Content of Certificates and Opinions. Every certificate or opinion provided for in this Indenture with respect to compliance with any provision hereof made or given by an Authorized Official of the Issuer or an Authorized Borrower Representative may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion or representation given by counsel or an accountant, unless such Authorized Official or Authorized Borrower Representative, as applicable, knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement is based is erroneous. Any such certificate or opinion made or given by counsel or an accountant may be based, insofar as it relates to factual matters with respect to which information is in the possession of the Issuer or the Borrower, as applicable, upon a certificate or opinion of or representation by an Authorized Official of the Issuer or Authorized Borrower Representative, unless such counsel or accountant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such certificate, opinion or representation is based is erroneous. The same Authorized Official of the Issuer or an Authorized Borrower Representative, or the same counsel or accountant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different officers, counsel or accountants may certify to different matters.

When any certificate or opinion is required by the express terms of this Indenture to be given by the Issuer on its own behalf, any such certificate or opinion made or given by an Authorized Official of the Issuer (and in no event individually) may be based, (i) insofar as it relates to factual matters, upon a certificate of or representation by the Borrower, (ii) insofar as it relates to legal or accounting matters, upon a certificate or representation by counsel or an accountant, as the case may be, in each case under clauses (i) and (ii) without further investigation or inquiry by such Authorized Official unless such Authorized Official knows that the certificate or opinion with respect to the matters upon which such certificate or opinion may be based are erroneous in any material respect.

Article II

Authorization and Terms of Bonds

Section 2.01. Authorization and General Terms of Bonds.

(a) *Authorization of Bonds.* There is hereby authorized, established and created an issue of bonds of the Issuer to be known and designated as the “Manor Housing Public Facility Corporation Multifamily Housing Revenue Bonds (Tower Road Apartments), Series 2024.” No Bonds may be issued under the provisions of this Indenture except in accordance with this Article II. The total authorized principal amount of Bonds which may be issued under the provisions of this Indenture is \$60,815,000.

(b) *General Terms.* The Bonds shall be in substantially the form as set forth in *Exhibit A* to this Indenture; shall be numbered consecutively from “R-1” upwards bearing numbers not then contemporaneously outstanding (in order of issuance) according to the records of the Trustee; shall be in Authorized Denominations; and shall be dated the Closing Date; *provided* that the Initial Bond shall have such changes as described in the last paragraph of Section 2.03 hereof.

(c) *Registered Form.* All Bonds shall be in fully registered form, and, except as provided in Section 2.06 hereof, the Holder of a Bond shall be regarded as the absolute owner thereof for all purposes of this Indenture.

(d) *Further Details.* The Bonds shall be negotiable instruments in accordance with the Act, and shall express the purpose for which they are issued and any other statements or legends which may be required by law. Each Bond shall be of a single maturity, unless the Trustee shall be directed to authenticate and deliver a Bond of more than one maturity.

Section 2.02. Maturity and Interest.

(a) *General.* The Bonds shall bear interest on the principal amount outstanding from the most recent date to which interest has been paid or duly provided for (or, if no interest has been paid or provided for, from the Closing Date), payable on each Interest Payment Date. The Bonds shall bear interest at the Interest Rate for each Interest Period as more specifically set forth hereinafter. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30 day months. The Bonds shall mature on the Maturity Date, subject to prior redemption as set forth in Section 3.01 hereof.

(b) *Initial Interest Rate.* From the date of their initial delivery to but not including the Initial Mandatory Tender Date, the interest rate on the Bonds shall be the Initial Interest Rate. On the Initial Mandatory Tender Date, the Bonds shall be subject to Mandatory Tender pursuant to Section 3.02 hereof. If sufficient funds are not available to pay the Purchase Price on the Unredeemed Bonds following such Mandatory Tender on the Initial Mandatory Tender Date and any such Bonds are not redeemed pursuant to Section 3.01(b) hereof, such Bonds shall accrue interest at the Maximum Interest Rate until funds are available for payment of the principal of and

accrued interest on such Bonds, with interest being paid monthly on the first Business Day of each month.

(c) *Establishment of Remarketing Rate.* The Remarketing Agent shall establish the interest rate on the Bonds outstanding for each Remarketing Period at the Remarketing Rate in accordance with this Section 2.02. Not less than ten (10) Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, shall, using its best professional judgment, determine the minimum rate(s) of interest which, if borne by the Bonds then outstanding for the Remarketing Period specified by the Remarketing Agent at the written direction of the Borrower as provided in Section 3.07 hereof, would enable the Bonds to be remarketed at a price equal to 100% of the principal amount of Bonds to be remarketed. The rate of interest determined in accordance with the previous sentence shall be the Remarketing Rate for the specified Remarketing Period; *provided* that if the rate of interest so determined for such period would exceed the Maximum Interest Rate per annum, the Bonds outstanding shall be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds that would not exceed the Maximum Interest Rate. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the Maximum Interest Rate, the Bonds outstanding shall be redeemed pursuant to Section 3.01(b) hereof and not remarketed.

(d) *Notice of Remarketing Rate.* The Remarketing Agent shall, upon determination of the Remarketing Rate and the Remarketing Period, immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by telephone or electronic mail, promptly confirmed in writing, to the Trustee, the Issuer and the Borrower. The Remarketing Rate and the Remarketing Period shall be conclusive and binding upon the Trustee, the Issuer, the Borrower and the Holders for the purposes of this Indenture.

(e) *Usury.* The Issuer intends to conform strictly to the usury laws applicable to this Indenture and the Bonds and all agreements made in the Bond Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to the Holders as interest or other amounts paid for the use of money advanced or to be advanced hereunder exceed the highest lawful rate prescribed by Texas Government Code Section 1204.006(a) or under any other law which a court of competent jurisdiction may deem applicable hereto. If, from any circumstances whatsoever, the fulfillment of any provision of the Bond Documents shall involve the payment of interest in excess of the limit prescribed by any law which a court of competent jurisdiction may deem applicable hereto, then, *ipso facto*, the obligation to pay interest hereunder shall be reduced to the maximum limit prescribed by law; and if from any circumstances whatsoever, the Holders shall ever receive anything of value deemed interest, the amount of which would exceed the highest lawful rate, such amount as would be excessive interest shall be deemed to have been applied, as of the date of receipt by the Holders, to the reduction of the principal remaining unpaid hereunder and under the Bonds and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance, such excess shall be refunded to the Borrower. This paragraph shall control every other provision of the Bond Documents.

Section 2.03. Execution and Authentication of Bonds. Each Bond shall be signed by the manual or facsimile signature of the President of the Issuer and attested by the manual or facsimile signature of the Secretary of the Issuer, in their official capacities. In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be that officer before the issuance of the Bond, such signature or the facsimile thereof nevertheless shall be valid and sufficient for all purposes, the same as if he or she had remained in office until that time. Any Bond may be executed on behalf of the Issuer by an officer who, on the date of execution is the proper officer, although on the date of the Bond that person was not the proper officer. Any facsimile signatures shall have the same force and effect as if said officers had manually signed the Bonds. The Bonds may be typewritten, printed, engraved, lithographed or otherwise produced.

No Bond, other than the Initial Bond, shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Indenture unless and until a certificate of authentication, substantially in the form set forth in *Exhibit A* to this Indenture, has been signed by the Trustee. The authentication by the Trustee upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and is entitled to the security and benefit of this Indenture. The certificate of the Trustee may be executed by any person authorized by the Trustee, but it shall not be necessary that the same authorized person sign the certificates of authentication on all of the Bonds.

The Initial Bond shall be numbered “I-1” and shall be identical to the form of the Bond set forth in *Exhibit A*, except (a) in lieu of the certificate of authentication of the Trustee, the Initial Bond shall contain the Registration Certificate of the Texas Comptroller of Public Accounts substantially in the form set forth below, (b) no CUSIP number shall be required, (c) the DTC FAST Rider in the form of Bond shall not be included in the Initial Bond, (d) the fifth to last and sixth to last paragraphs in the form of Bond shall be deleted from the Initial Bond, (e) the notice at the top of the form of Bond shall not be deleted from the Initial Bond, and (f) the second to last paragraph of the form of Bond shall be replaced with the following in the Initial Bond: “This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture unless the Comptroller’s Registration Certificate herein has been executed by an authorized representative of the Texas Comptroller of Public Accounts.”

In lieu of the authentication certificate of the Trustee, the Initial Bond shall contain the following certificate:

**“Registration Certificate of
Comptroller of Public Accounts**

Office of the Comptroller of Public Accounts the State of Texas	§ § §	Register No. _____
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I hereby certify that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal of office this _____.

Comptroller of Public Accounts of the State of
Texas

(Seal)”

The provisions of *Exhibit A* may be rearranged or re-ordered for purposes of the Initial Bond.

Section 2.04. Source of Payment of Bonds. The Bonds are not and shall never become general obligations of the Issuer, but to the extent provided in and except as otherwise permitted by this Indenture, the Bonds shall be special limited obligations of the Issuer and the Bond Service Charges thereon shall be payable equally and ratably solely from and secured solely by the Trust Estate as further set forth in Section 9.02 hereof.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS INDENTURE TO THE CONTRARY, THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON, THE BONDS SOLELY OUT OF THE TRUST ESTATE. THE BONDS SHALL BE A SPECIAL LIMITED OBLIGATION OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE BONDS SHALL CONSTITUTE A VALID CLAIM OF THE RESPECTIVE HOLDERS AND BENEFICIAL OWNERS THEREOF AGAINST THE SECURITY, THAT IS PLEDGED TO SECURE THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS AND THAT SHALL BE UTILIZED FOR NO OTHER PURPOSE, EXCEPT AS EXPRESSLY AUTHORIZED IN THIS INDENTURE. THE BONDS SHALL NEVER CONSTITUTE AN INDEBTEDNESS OR GENERAL OBLIGATION OF THE ISSUER, THE STATE OF TEXAS, THE SPONSOR, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF TEXAS, WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION WHATSOEVER. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE SPONSOR, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF TEXAS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE BONDS OR THE INTEREST OR ANY PREMIUM THEREON OR OTHER COSTS INCIDENT THERETO. NEITHER THE MEMBERS OF THE BOARD OF DIRECTORS OF THE ISSUER NOR ANY PERSON EXECUTING BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THE ISSUANCE THEREOF.

NO MEMBER, DIRECTOR, OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THIS INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THIS INDENTURE OR ANY SUPPLEMENTAL

INDENTURE, AGAINST ANY MEMBER, DIRECTOR, OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE OF THE BONDS AND AS PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

Section 2.05. Payment and Ownership of Bonds. Bond Service Charges shall be payable in lawful money of the United States of America without deduction for the services of the Trustee. Subject to the provisions of Sections 2.08 and 2.09 hereof, (a) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the Designated Office of the Trustee or at the office designated by the Trustee, and (b) interest on any Bond shall be paid on each Interest Payment Date by check or draft which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond (or one or more Predecessor Bonds) is registered at the close of business on the Regular Record Date applicable to that Interest Payment Date on the Register at the address appearing therein.

If and to the extent, however, that payment or provision for payment of interest on any Bond on any Interest Payment Date is not made, that interest shall cease to be payable to the Person who was the Holder of that Bond (or of one or more Predecessor Bonds) as of the applicable Regular Record Date. In that event, except as provided below in this Section 2.05, when money becomes available for payment of the interest, (a) the Trustee shall, pursuant to Section 6.06(d) hereof, establish a Special Record Date for the payment of that interest which shall be not more than fifteen (15) nor fewer than ten (10) days prior to the date of the proposed payment, and (b) the Trustee shall cause notice of the proposed payment and of the Special Record Date to be mailed by first-class mail, postage prepaid, to each Holder at its address as it appears on the Register not fewer than ten (10) days prior to the Special Record Date and, thereafter, the interest shall be payable to the Persons who are the Holders of the Bonds (or their respective Predecessor Bonds) at the close of business on the Special Record Date.

Subject to the foregoing, each Bond delivered under this Indenture upon transfer thereof, or in exchange for or in replacement of any other Bond, shall carry the rights to interest accrued and unpaid, and to accrue on that Bond, or which were carried by that Bond.

Except as provided in this Section 2.05 and the first paragraph of Section 2.07 hereof, (a) the Holder of any Bond shall be deemed and regarded as the absolute owner thereof for all purposes of this Indenture, (b) payment of or on account of the Bond Service Charges on any Bond shall be made only to or upon the order of that Holder or its duly authorized attorney in the manner permitted by this Indenture, and (c) neither the Issuer nor the Trustee shall, to the extent permitted by law, be affected by notice to the contrary. All of those payments shall be valid and effective to satisfy and discharge the liability upon that Bond, including without limitation, the interest thereon, to the extent of the amount or amounts so paid. Notwithstanding anything to the contrary herein or in any of the Bond Documents, the Trustee is authorized to use funds on deposit in the Special Funds, as and when provided, the pay principal of and interest on the Bonds when due.

Section 2.06. Registration and Transfer of Bonds. So long as any of the Bonds remain outstanding, the registration and transfer of Bonds, as provided in this Indenture, will be maintained and kept at the Designated Office of the Trustee.

Subject to the provisions set forth above and in Section 2.09 hereof, any Bond may be transferred upon the Register, upon presentation and surrender thereof at the Designated Office of the Trustee, together with an assignment duly executed by the Holder or its duly authorized attorney in any form which shall be satisfactory to the Trustee. Upon transfer of any Bond and on request of the Trustee, the Issuer shall execute in the name of the transferee, and the Trustee shall authenticate and deliver, a new Bond or Bonds, of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed principal amount of, and bearing interest at the same rate and maturing on the same date or dates as, the Bonds presented and surrendered for transfer.

In all cases in which Bonds shall be transferred hereunder, the Issuer shall execute, and the Trustee shall authenticate and deliver, Bonds in accordance with the provisions of this Indenture. The transfer shall be made without charge; *provided*, that the Issuer and the Trustee may make a charge for every exchange or transfer of Bonds sufficient to reimburse them for any tax or excise required to be paid with respect to the transfer. The charge shall be paid before a new Bond is delivered.

All Bonds issued upon any transfer of Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Bonds surrendered upon transfer.

Section 2.07. Mutilated, Lost, Wrongfully Taken or Destroyed Bonds. If any Bond is mutilated, lost, wrongfully taken or destroyed, in the absence of written notice to the Issuer or the Trustee that a lost, wrongfully taken or destroyed Bond has been acquired by a bona fide purchaser, the Issuer shall execute, and the Trustee shall authenticate and deliver, a new Bond of like date, maturity and denomination as the Bond mutilated, lost, wrongfully taken or destroyed; *provided*, that (a) in the case of any mutilated Bond, the mutilated Bond first shall be surrendered to the Trustee, and (b) in the case of any lost, wrongfully taken or destroyed Bond, there first shall be furnished to the Trustee evidence of the loss, wrongful taking or destruction satisfactory to the Trustee, together with indemnity satisfactory to an Authorized Borrower Representative, the Trustee and an Authorized Official.

If any lost, mutilated, wrongfully taken or destroyed Bond shall have matured, instead of issuing a new Bond, the Issuer may direct the Trustee to pay that Bond without surrender thereof upon the furnishing of satisfactory evidence and indemnity as in the case of issuance of a new Bond. The Issuer and the Trustee may charge the Holder of a mutilated, lost, wrongfully taken or destroyed Bond their reasonable fees and expenses in connection with their actions pursuant to this Section 2.07.

Every new Bond issued pursuant to this Section 2.07 by reason of any Bond being mutilated, lost, wrongfully taken or destroyed (a) shall constitute, to the extent of the outstanding principal amount of the Bond mutilated, lost, taken or destroyed, an additional contractual

obligation of the Issuer, regardless of whether the mutilated, lost, wrongfully taken or destroyed Bond shall be enforceable at any time by anyone and (b) shall be entitled to all of the benefits of this Indenture equally and proportionately with any and all other Bonds issued and outstanding hereunder.

All Bonds shall be held and owned on the express condition that the foregoing provisions of this Section 2.07 are exclusive with respect to the replacement or payment of mutilated, lost, wrongfully taken or destroyed Bonds and, to the extent permitted by law, shall preclude any and all other rights and remedies with respect to the replacement or payment of negotiable instruments or other investment securities without their surrender, notwithstanding any law or statute to the contrary now existing or enacted hereafter.

Section 2.08. Cancellation of Bonds. Any Bond surrendered pursuant to this Article II for the purpose of payment or retirement or for exchange, replacement or transfer shall be cancelled upon presentation and surrender thereof to the Trustee.

Notwithstanding any provision of this Indenture to the contrary, the Issuer, or the Borrower on behalf of the Issuer, may deliver at any time to the Trustee with written instructions for cancellation any Bonds previously authenticated and delivered hereunder, which the Issuer or the Borrower may have acquired in any manner whatsoever. All Bonds so delivered shall be cancelled promptly by the Trustee. Cancelled Bonds shall be, upon written request of the Issuer, destroyed by the Trustee by shredding or incineration at that time in accordance with its policies and procedures, or at any earlier time directed by the Issuer. Certification of the surrender and cancellation shall be made to the Issuer by the Trustee upon the request of the Issuer.

Section 2.09. Book-Entry Only System. Notwithstanding any provision of this Indenture to the contrary, the Issuer may direct that all Bonds issued hereunder shall be initially issued in a Book-Entry System, registered in the name of a Depository or its nominee as registered owner of the Bonds, and held in the custody of that Depository. Unless otherwise requested by a Depository, a single certificate will be issued and delivered to the Depository, or held by the Trustee as custodian for the Depository, for each maturity of Bonds. Beneficial Owners of Bonds in a Book-Entry System will not receive physical delivery of Bond certificates except as provided hereinafter. For so long as a Depository shall continue to serve as securities depository for the Bonds as provided herein, all transfers of Beneficial Ownership Interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring Beneficial Ownership Interests of Bonds is to receive, hold or deliver any Bond certificate; *provided*, that, if a Depository fails or refuses to act as securities depository for the Bonds, the Issuer shall take the actions necessary to provide for the issuance of Bond certificates to the Holders of such Bonds.

With respect to Bonds registered in the name of a Depository, the Issuer, the Borrower and the Trustee shall have no responsibility or obligation to any participant therein or to any Person on whose behalf any participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the Issuer, the Borrower nor the Trustee shall have any responsibility or obligation with respect to (a) the accuracy of the records of the Depository or any participant therein or any other Person, other than a registered owner of the Bonds, as shown in the Register,

or any notice with respect to the Bonds or (b) the payment to any participant in the Depository or any other Person, other than a registered owner of the Bonds, as shown in the Register, of any amount with respect to principal of or interest on or Purchase Price of the Bonds.

Replacement Bonds may be issued directly to Beneficial Owners of Bonds other than a Depository, or its nominee, but only in the event that (a) the Depository determines not to continue to act as securities depository for the Bonds (which determination shall become effective no less than ninety (90) days after written notice to such effect to the Issuer and the Trustee); or (b) the Issuer has advised a Depository of its determination (which determination is conclusive as to the Depository and Beneficial Owners of the Bonds) that the Depository is incapable of discharging its duties as securities depository for the Bonds; or (c) the Issuer has determined (which determination is conclusive as to the Depository and the Beneficial Owners of the Bonds) that the interests of the Beneficial Owners of the Bonds might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the Issuer and the Borrower shall use commercially reasonable efforts to attempt to locate another qualified securities depository. If the Issuer and the Borrower fail to locate another qualified securities depository to replace the Depository, the Issuer and the Borrower, at the Borrower's expense, shall cause to be authenticated and delivered replacement Bonds, in certificate form, to the Beneficial Owners of the Bonds. In the event that the Issuer makes the determination noted in (b) or (c) above (*provided* that the Issuer undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Issuer to make any such determination), and has made provisions to notify the Beneficial Owners of Bonds of such determination by mailing an appropriate notice to the Depository, the Issuer shall cause to be issued replacement Bonds in certificate form to Beneficial Owners of the Bonds as shown on the records of the Depository provided to the Issuer.

Upon the written direction of 100% of the Beneficial Owners of the Bonds, the Trustee shall withdraw the Bonds from any Depository and authenticate and deliver Bonds fully registered to the assignees of that Depository or its nominee. If the request for such withdrawal is not the result of any Issuer action or inaction, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing, preparing and delivering such Bonds) of the persons requesting such withdrawal, authentication and delivery (who shall provide the Trustee with assurances, satisfactory to the Trustee for the payment of such costs and expenses incurred, or to be incurred, by the Trustee); otherwise such withdrawal, authentication and delivery shall be at the cost and expense of the Borrower (who shall provide the Trustee with assurances, satisfactory to the Trustee for the payment of such costs and expenses incurred, or to be incurred, by the Trustee).

Whenever, during the term of the Bonds, the beneficial ownership thereof is determined by a book-entry at a Depository, (a) the requirements in this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate Person or entity to meet the requirements of the Depository as to registering or transferring the book-entry to produce the same effect and (b) delivery of the Bonds will be in accordance with arrangements among the Issuer, the Trustee and the Depository notwithstanding any provision of this Indenture to the contrary.

Any provision of this Indenture to the contrary notwithstanding, so long as the Bonds are registered solely in the name of the Depository or its nominee, all payments with respect to principal of, premium, if any, and interest on, the Bonds and all notices with respect to the Bonds shall be made and given in accordance with the policies and procedures of the Depository.

Section 2.10. Delivery of the Bonds. Upon the execution and delivery of this Indenture, and satisfaction of the conditions established by the Issuer in the Bond Resolution and in the Bond Purchase Agreement for delivery of the Bonds, the Issuer shall execute the Bonds and deliver them to the Trustee with written directions to authenticate them. Thereupon, the Trustee shall authenticate the Bonds and deliver them to, or hold them as custodian for, the Depository, as further directed by the Underwriter.

Prior to the delivery of any Bonds against payment therefor, the Trustee shall have received the following (each of which may be an electronic copy):

- (a) a certified copy of the Bond Resolution;
- (b) executed counterparts of this Indenture and the other Financing Documents specifically listed in the definition of Financing Documents;
- (c) an Opinion of Bond Counsel substantially to the effect that this Indenture and the Bonds constitute legal, valid and binding obligations of the Issuer, subject to customary exceptions relating to bankruptcy and insolvency, and that, under existing law, the interest payable on the Bonds is excludable from gross income for federal income tax purposes (except with respect to interest on any Bond during any period while it is held by a “substantial user” of the Project or a “related person” to such a “substantial user” within the meaning of Section 147(a) of the Code);
- (d) an Opinion of Counsel for the Borrower to the effect that the Borrower Documents (specifically listed in the definition of Financing Documents) have been duly authorized, executed and delivered by the Borrower and are legal, valid and binding agreements of the Borrower in accordance with their respective terms subject to customary qualifications and exceptions;
- (e) an opinion of the Attorney General of Texas approving the Bonds;
- (f) the Initial Bond registered by the Texas Comptroller of Public Accounts;
- (g) funds the Trustee is required to receive for deposit pursuant to Section 4.02 hereof;
- (h) an executed copy of the mortgage note evidencing the Mortgage Loan;
- (i) a copy of the rating letter confirming the rating assigned to the Bonds provided by the Rating Agency;

(j) a Cash Flow Projection as of the Closing Date with respect to the sufficiency of amounts on deposit in the Project Fund, the Collateral Fund and the Bond Fund; and

(k) any other documents or opinions which the Trustee, the Issuer or Bond Counsel may reasonably require, which requirement shall be deemed to be satisfied upon the delivery of the Opinion of Bond Counsel described in (c) above.

Article III

Redemption and Remarketing

Section 3.01. Redemption of Bonds. (a) The Bonds are subject to optional redemption prior to their maturity from Eligible Funds, at the written direction of an Authorized Borrower Representative (with delivery of a Cash Flow Projection and written notice to the Trustee at least thirty-five (35) days prior to the proposed redemption date and, in the case of a redemption in part, specifying the principal amount of the Bonds to be redeemed), subject to the conditions set forth in Section 6.1 of the Loan Agreement, either in whole or in part, on each Optional Redemption Date at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest, but without premium, to the date fixed for redemption.

(b) The Bonds shall be redeemed in whole at a redemption price of 100% of the principal amount of such Bonds, plus accrued interest to the Redemption Date, on any Mandatory Tender Date upon the occurrence of any of the following events: (i) the Borrower has previously elected not to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in this Indenture have not been met by the dates and times set forth in Section 3.06(a) hereof, (iii) the amount on deposit in the Remarketing Proceeds Account at 11:00 a.m. Eastern time on the Mandatory Tender Date is insufficient to pay the Purchase Price of the outstanding Unredeemed Bonds on such Mandatory Tender Date, or (iv) the Trustee has not received an executed copy of the Opinion of Bond Counsel described in Section 3.06(a)(iv) by 11:00 a.m. Eastern time on the Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Collateral Fund, (ii) amounts on deposit in the Bond Fund, other than funds in the Negative Arbitrage Account therein, (iii) amounts on deposit in the Project Fund, and (iv) any other Eligible Funds available or made available for such purpose at the written direction of the Borrower.

(c) 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 and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bond 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 and 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 and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

(d) At the election of an Authorized Borrower Representative, upon a redemption in whole of the Bonds, by written notice to the Trustee given not less than ten (10) Business Days in advance of such redemption date, the Bonds will be deemed tendered for purchase in lieu of the redemption on such date. The purchase price of Bonds so purchased in lieu of redemption shall be the principal amount thereof together with all accrued and unpaid interest to the date of redemption and shall be payable on the date of redemption thereof. Bonds so purchased in lieu of redemption shall remain outstanding and shall be registered to or upon the direction of an Authorized Borrower Representative.

(e) The Trustee shall pay the redemption price of Bonds, or the purchase price from Bonds deemed to be tendered pursuant to subsection (d), from the following sources in the following priority: (i) amounts on deposit in the Collateral Fund and the Bond Fund (other than funds in the Negative Arbitrage Account therein), to the extent not needed to reimburse the Lender for any advances of Mortgage Loan proceeds, and (ii) any other Eligible Funds available or made available for such purpose at the direction of an Authorized Borrower Representative.

Section 3.02. Mandatory Tender. (a) The Unredeemed Bonds are subject to mandatory tender in whole and not in part on the Mandatory Tender Date and shall be purchased at a price (the "Purchase Price") equal to 100% of the principal amount of such Bonds, without premium. No later than 10:00 a.m., Eastern time, on the Mandatory Tender Date, the Holders of the Unredeemed Bonds shall deliver such Bonds to the Trustee. The Trustee shall utilize the following sources of payments to pay the Purchase Price of the Unredeemed Bonds not later than 2:30 p.m. Eastern time on the Mandatory Tender Date, in the following priority: (i) amounts on deposit in the Remarketing Proceeds Account, and (ii) any other Eligible Funds available or made available for such purpose at the direction of an Authorized Borrower Representative.

(b) Not less than thirty (30) days before the Mandatory Tender Date, the Trustee shall give written notice of tender and remarketing to the Holders of Unredeemed Bonds by first class mail, postage prepaid, at their respective addresses appearing in the Register. The notice shall state the Mandatory Tender Date and that:

(i) all outstanding Unredeemed Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date and must be tendered for purchase on the Mandatory Tender Date;

(ii) all outstanding Unredeemed Bonds will be purchased on the Mandatory Tender Date at a price equal to the Purchase Price;

(iii) Holders will not have the right to elect to retain their Unredeemed Bonds and any such Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date; and

(iv) the address of the office of the Trustee at which Holders should deliver their Unredeemed Bonds for purchase on the Mandatory Tender Date.

If notice is given as stated in this subsection, failure of any Holder to receive such notice, or any defect in the notice, shall not affect the remarketing or the validity of the proceedings for the remarketing of the Unredeemed Bonds.

Section 3.03. Notice of Redemption. Unless waived by any Holder of Bonds to be redeemed, official notice of redemption shall be given by the Trustee on behalf of the Issuer by mailing a copy of an official redemption notice by first-class mail, postage prepaid, to the Holder of each Bond to be redeemed, at the address of such Holder shown on the Register at the opening of business on the fifth day prior to such mailing, not less than twenty (20) days nor more than thirty (30) days prior to the date fixed for redemption. A second notice of redemption shall be given, as soon as practicable, by first-class mail to the Holder of each Bond which has been so called for redemption (in whole or in part) but has not been presented and surrendered to the Trustee within thirty (30) days following the date fixed for redemption of that Bond. With respect to a mandatory redemption pursuant to Section 3.01(b), the notice of Mandatory Tender provided to Holders pursuant to Section 3.02 shall serve as the notice of redemption required by this Section 3.03 and shall satisfy the requirements of this Section 3.03 and no further notice of redemption will be required to the Holders.

All official notices of redemption shall be dated and shall state:

- (a) the proposed Redemption Date,
- (b) the redemption price,
- (c) if less than all outstanding Bonds are to be redeemed, the identification by designation, letters, numbers or other distinguishing marks and the respective principal amounts of the Bonds to be redeemed,
- (d) that on the Redemption Date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Designated Office of the Trustee, and
- (f) that the notice of redemption is conditioned upon there being deposited with the Trustee on or prior to the date of redemption money sufficient to pay the redemption price of the Bonds to be redeemed and, in the case of any redemption premium on Bonds, that there be on deposit Eligible Funds sufficient to pay such redemption premium.

If the Bonds are not then held in a Book-Entry System, in addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect in said further notice

nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; and (iv) the maturity date of each Bond being redeemed.

(b) Each further notice of redemption shall be sent at least fifteen (15) days before the Redemption Date by electronic mail, registered or certified mail or overnight delivery service to all registered securities depositories known to the Trustee to then be in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number (if any) identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Failure to receive notice by mailing or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any other Bond.

Notice of any redemption hereunder with respect to Bonds held under a Book-Entry System shall be given by the Trustee only to the Depository, or its nominee, as the Holder of such Bonds in the manner required by the Depository. Selection of Beneficial Ownership Interests in the Bonds called for redemption and notice of the redemption to the Beneficial Owners are the responsibility of the Depository and any failure of such Depository to notify the Beneficial Owners of any such notice and its contents or effect will not affect the validity of such notice of any proceedings for the redemption of such Bonds. Notices of redemption may state that no representation is made as to the accuracy or correctness of the CUSIP number or numbers provided therein or on the Bonds.

Section 3.04. Payment of Redeemed Bonds. Notice having been mailed in the manner provided in Section 3.03 hereof, the Bonds and portions thereof called for redemption shall become due and payable on the Redemption Date, and upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, including interest accrued to the Redemption Date.

Upon the payment of the price of Bonds being redeemed or prepaid, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed or prepaid with the proceeds of such check or other transfer.

If money for the redemption of all of the Bonds and portions thereof to be redeemed, together with interest accrued thereon to the Redemption Date, is held by the Trustee on the

Redemption Date, so as to be available therefor on that date and if notice of redemption has been deposited in the mail as aforesaid, then from and after the Redemption Date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding hereunder. If such money shall not be so available on the Redemption Date, or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption.

All money deposited in the Bond Fund and held by the Trustee for the redemption, purchase or prepayment of particular Bonds shall be held in trust for the account of the Holders thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

Section 3.05. Duties of Remarketing Agent. The Remarketing Agent shall do the following in connection with the remarketing of the Bonds:

(a) Unless otherwise directed in writing by an Authorized Borrower Representative not less than ten (10) days before the Mandatory Tender Date, the Remarketing Agent shall offer for sale and use its best efforts to sell Unredeemed Bonds on the Mandatory Tender Date at a price equal to the Purchase Price.

(b) *Establishment of Interest Rate In Connection With Remarketing of Unredeemed Bonds.*

(i) *Establishment of Interest Rate.* From and after the Mandatory Tender Date, the Unredeemed Bonds shall bear interest at the Remarketing Rate determined pursuant to this subsection. Any Remarketing Rate determined by the Remarketing Agent and taking effect pursuant to this Indenture shall be conclusive and binding for the purposes of this Indenture upon the Trustee, the Issuer, the Borrower and the Holders.

(ii) *Determination of Remarketing Rate.* The Remarketing Agent shall determine the Remarketing Rate on or before the Mandatory Tender Date to be effective to a new Mandatory Tender Date selected by an Authorized Borrower Representative with the consent of the Remarketing Agent or the Maturity Date, as applicable. The Remarketing Rate shall be the minimum rate of interest (not to exceed the Maximum Interest Rate) necessary, in the professional judgment of the Remarketing Agent, taking into consideration prevailing market conditions, to enable the Remarketing Agent to remarket all of the Unredeemed Bonds outstanding on a new Mandatory Tender Date at the Purchase Price for the period beginning on the Mandatory Tender Date and ending on or before the next Mandatory Tender Date or the Maturity Date, as applicable, *plus* an additional amount, if any, equal to the additional interest due on the Bonds for such period (after accounting for any remaining funds in the Bond Fund, other than funds in the Negative Arbitrage Account therein) which amount shall be deposited by the Trustee into the Bond Fund from Eligible Funds provided by or on behalf of the Borrower.

(iii) *Notice.* Immediately upon determining the Remarketing Rate, the Remarketing Agent shall give notice to the other Remarketing Notice Parties. In no event shall the Remarketing Agent give its notice later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate.

Section 3.06. Conditions Precedent to Remarketing of Bonds and Notice.

(a) *Conditions Precedent to Remarketing of Unredeemed Bonds.* The remarketing of the Unredeemed Bonds on the Mandatory Tender Date is subject to the satisfaction of each of the following conditions precedent before the Mandatory Tender Date:

(i) Not less than four (4) Business Days before the Mandatory Tender Date, the Trustee has received notice from the Remarketing Agent that all of the outstanding Unredeemed Bonds have been remarketed and that the proceeds from the remarketing are expected to be available to the Trustee on the Mandatory Tender Date and deposited into the Remarketing Proceeds Account in an amount equal to the Purchase Price.

(ii) Not less than four (4) Business Days before the Mandatory Tender Date, the Trustee, the Remarketing Agent and the Rating Agency have received a Cash Flow Projection with respect to the proposed Remarketing Period.

(iii) Not less than two (2) Business Days before the Mandatory Tender Date, the Trustee has received an amount necessary to cover negative arbitrage, if any, on the Unredeemed Bonds through the earlier of the next Mandatory Tender Date or the Maturity Date, as set forth in a Cash Flow Projection.

(iv) Not less than one (1) Business Day before the Mandatory Tender Date, the Trustee has received an executed Opinion of Bond Counsel to the effect that the remarketing of the Unredeemed Bonds on the Mandatory Tender Date will not adversely affect the Federal Tax Status of the Bonds.

(b) *Notice of Satisfaction of Conditions Precedent.* Not less than two (2) Business Days before the Mandatory Tender Date, the Trustee shall give notice to the other Remarketing Notice Parties indicating whether all conditions precedent to the remarketing of the Unredeemed Bonds in Section 3.06(a) hereof have been satisfied.

(c) *Remarketing Costs.* The costs of remarketing of the Bonds shall be paid by the Borrower.

Section 3.07. Remarketing of Unredeemed Bonds.

(a) *Delivery of Bonds for Purchase.* Each Holder must deliver its Unredeemed Bonds to the Trustee for purchase not later than 10:00 a.m., Eastern time, on the Mandatory Tender Date. Bonds so received by the Trustee shall be held by the Trustee in trust for the tendering Holders pending receipt of funds for the payment of such Bonds.

(b) *Untendered Bond.* Any Unredeemed Bond that is not tendered on the Mandatory Tender Date (an “*Untendered Bond*”) will be deemed to have been tendered to the Trustee as of such Mandatory Tender Date, and, from and after such Mandatory Tender Date shall cease to bear interest and no longer will be considered to be outstanding. In the event of a failure by Holders to deliver Unredeemed Bonds on the Mandatory Tender Date, such Holders will not be entitled to any payment (including any interest to accrue from and after the Mandatory Tender Date) other than the Purchase Price for such Untendered Bond, and any Untendered Bond will no longer be entitled to the benefits of this Indenture, except for the purpose of payment of the Purchase Price for such Untendered Bond.

(c) *Delivery of Purchase Price of Remarketed Bonds.* If the Remarketing Agent has received notice from the Trustee pursuant to Section 3.06(b) hereof that the conditions precedent to the remarketing of the Unredeemed Bonds have been satisfied, the Remarketing Agent shall instruct each purchaser of Unredeemed Bonds to deliver to the Trustee, no later than 11:00 a.m., Eastern time, on the Mandatory Tender Date, in immediately available funds, the Purchase Price for the Unredeemed Bonds it has agreed to purchase in the remarketing. If the Trustee receives the Purchase Price of the Unredeemed Bonds by the required time, the Trustee promptly shall transfer the registered ownership of the Unredeemed Bonds to the respective new purchasers and deliver such Unredeemed Bonds to such purchasers. Moneys deposited with the Trustee for the purchase of Unredeemed Bonds shall be held in trust in the Remarketing Proceeds Account of the Bond Fund and shall be paid to each tendering Holders upon presentation of its Unredeemed Bonds at the designated office of the Trustee. If the Trustee does not receive the Purchase Price of the Unredeemed Bonds by the required time, the Unredeemed Bonds shall be redeemed pursuant to Section 3.01(b)(iii) hereof, and the Trustee shall return any moneys it had received for the purchase of Unredeemed Bonds.

(d) *Notice of Remarketing to Holders of Untendered Bonds.* The Trustee shall promptly give notice by registered or certified first class mail, postage prepaid, to each Holder of Untendered Bonds stating that interest on such Bonds ceased to accrue on the Mandatory Tender Date and that moneys representing the Purchase Price of such Bonds are available against delivery of such Bonds at the designated office of the Trustee.

Section 3.08. Cancellation of Bonds. The Trustee shall immediately cancel those Unredeemed Bonds the Purchase Price of which is paid from amounts other than proceeds derived from the remarketing of the Bonds.

Article IV

Revenues and Funds

Section 4.01. Creation of Funds. There are hereby established with the Trustee the following funds and accounts to be held in trust and maintained by the Trustee under this Indenture:

(a) the Bond Fund, and therein a Negative Arbitrage Account and a Remarketing Proceeds Account (but only at such times as money is to be deposited or held in such accounts as provided in this Indenture);

- (b) the Project Fund, and therein a Bond Proceeds Account;
- (c) the Costs of Issuance Fund;
- (d) the Collateral Fund;
- (e) the Rebate Fund; and
- (f) the Expense Fund.

Each fund and account therein shall be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered as provided in this Indenture. All money deposited in the funds and accounts created hereunder shall be used solely for the purposes set forth in this Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and account, and all disbursements therefrom, in accordance with its general practices and procedures in effect from time to time. The Trustee may also terminate funds and accounts that are no longer needed.

The Trustee shall, at the written direction of an Authorized Borrower Representative and may, in its reasonable discretion, establish such additional accounts within any fund, and subaccounts within any of the accounts, as the Borrower or the Trustee may deem reasonably necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that fund and its accounts, or for the purpose of complying with the requirements of the Code, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of this Indenture or the Tax Exemption Agreement with respect to a deposit or use of money in the Special Funds or the Rebate Fund, or result in commingling of funds not permitted hereunder.

Section 4.02. Allocation of Bond Proceeds and Other Deposits. On the Closing Date, (i) the proceeds of the sale of the Bonds (A) in the amount of \$[] (being the par amount of \$60,815,000, plus original issue premium of \$[]) shall be deposited in the Bond Proceeds Account of the Project Fund and (B) in the amount of \$[] shall be deposited in the Negative Arbitrage Account of the Bond Fund and (ii) funds in the amount of \$[] shall be deposited in the Costs of Issuance Fund from funds provided by the Borrower.

Section 4.03. Bond Fund. The Trustee shall deposit in the Remarketing Proceeds Account of the Bond Fund any amounts received from the remarketing of the Unredeemed Bonds. Money in the Remarketing Proceeds Account shall be held exclusively for the payment of the Purchase Price of the Unredeemed Bonds.

So long as there are any outstanding Bonds, to the extent the Borrower has not received a credit against Loan Payments, all Loan Payments under the Loan Agreement shall be paid by the Borrower one Business Day prior to each Interest Payment Date directly to the Trustee, and deposited in the Bond Fund, in at least the amount necessary to pay the Bond Service Charges due on the Bonds on such Interest Payment Date.

The Bond Fund (and any accounts therein for which provision is made in this Indenture) and the money and Eligible Investments therein shall be used solely and exclusively for the payment of Bond Service Charges as they become due. [Options for investments in discussion with trustee.]

Bond Service Charges shall be payable, as they become due, in the following order (1) from money on deposit in the Bond Fund (excluding the Negative Arbitrage Account of the Bond Fund), (2) next from money on deposit in the Negative Arbitrage Account of the Bond Fund, (3) next from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund, and (4) thereafter from money on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Upon receipt by the Trustee of a Cash Flow Projection provided on behalf of the Borrower, but no more than once prior to the Mandatory Tender Date then in effect, the Trustee is hereby authorized to release from the Negative Arbitrage Account the amount set forth in the Cash Flow Projection to or at the written direction of the Borrower.

Section 4.04. Project Fund. Upon the deposit of Collateral Payments in the Collateral Fund as provided in Section 4.06 hereof, and subject to the provisions of this Section 4.04 hereof, the Trustee may disburse the Bond proceeds on deposit in the Project Fund to or at the direction of the Lender or the Borrower, for payment of Project Costs in accordance with Section 3.6 of the Loan Agreement. To the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee is hereby authorized to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Project Costs: (i) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the request for disbursement, to the Collateral Fund, and (ii) transfer, from Collateral Payments or other Eligible Funds then deposited in the Collateral Fund, an exact corresponding amount from the Collateral Fund to the Project Fund, which transfer is hereby deemed to be of the proceeds of the sale of the Eligible Investments then allocated from the Project Fund to the Collateral Fund. The Trustee shall be irrevocably and unconditionally obligated to (i) disburse from the Project Fund an amount equal to the amount deposited to the Collateral Fund to or at the written direction of the Lender or Borrower, as applicable, or (ii) return to the Lender or the Borrower, as applicable, the amount deposited in the Collateral Fund, within one (1) Business Day of receipt of such deposit. To the extent money is not otherwise available to the Trustee, including money on deposit in the Bond Fund or the Collateral Fund, the Trustee shall transfer from the Project Fund to the Bond Fund sufficient money to pay Bond Service Charges on each Interest Payment Date without further written direction.

The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and all disbursements therefrom. If requested by the Issuer, the Limited Partner or the Borrower, after the Project has been completed and a Completion Certificate is filed as provided in Section 4.07 hereof, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer, the General Partner and the Limited Partner. The Trustee shall satisfy this obligation by providing trust statements for all periods in which there are funds in the Project Fund through its online portfolio system.

Notwithstanding any provision of the Loan Agreement or any other provision of this Indenture to the contrary and except to make necessary interest payments, the Trustee shall not disburse money from the Project Fund, other than to pay Bond Service Charges on the Bonds, unless and until Collateral Payments or other Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited in the Collateral Fund. Prior to making any disbursement (except to the extent necessary to pay Bond Service Charges), the Trustee shall determine that the aggregate principal amount that will be held in (a) the Collateral Fund and (b) the Project Fund, after the anticipated disbursement, is at least equal to the then-outstanding principal amount of the Bonds.

On any Redemption Date, the Trustee shall, at the written direction of an Authorized Borrower Representative, transfer any amounts then on deposit in the Project Fund into the Bond Fund to pay Bond Service Charges on the Bonds.

Upon the occurrence and continuance of an Event of Default hereunder because of which the principal amount of the Bonds has been declared to be due and immediately payable pursuant to Section 6.03 hereof, any money remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund.

Section 4.05. Costs of Issuance Fund. Amounts on deposit in the Costs of Issuance Fund, if any, shall be used by the Trustee to pay Costs of Issuance as directed in writing by an Authorized Borrower Representative. Any amounts remaining on deposit in the Costs of Issuance Fund thirty (30) days after the Closing Date shall be promptly returned to the Borrower or disbursed at the written direction of the Borrower.

Section 4.06. Collateral Fund. The Trustee shall deposit into the Collateral Fund all Collateral Payments received pursuant to Section 4.2 of the Loan Agreement and any other Eligible Funds received by the Trustee for deposit into the Collateral Fund. Section 4.2 of the Loan Agreement requires the Borrower to cause Collateral Payments to be paid to the Trustee for deposit into the Collateral Fund in a principal amount equal to, and as a prerequisite to the disbursement of, amounts on deposit in the Project Fund to be disbursed by the Trustee to pay Project Costs.

Each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions hereof.

The Trustee shall transfer money in the Collateral Fund as follows: (i) on each Bond Payment Date, to the Bond Fund, the amount necessary to pay Bond Service Charges due on such Bond Payment Date to the extent required by the fourth paragraph of Section 4.03 hereof, (ii) on the Mandatory Tender Date, if the Unredeemed Bonds are to be redeemed pursuant to Section 3.01(b)(iii) hereof, to the Bond Fund, the amount necessary to pay the redemption price of such Bonds on such date, and (iii) on the Maturity Date of the Bonds, to the Bond Fund the amount necessary to pay all amounts due on the Bonds on such date.

On any Redemption Date, the Trustee shall transfer all amounts then on deposit in the Collateral Fund into the Bond Fund to pay Bond Service Charges on the Bonds.

Amounts on deposit in the Collateral Fund in excess of the amount required to pay Bond Service Charges after payment in full of the Bonds may be transferred to the Project Fund and used to pay costs of the Project as provided in Section 3.6 of the Loan Agreement.

The Bonds shall not be, and shall not be deemed to be, paid or prepaid by reason of any deposit into the Collateral Fund unless and until the amount on deposit in the Collateral Fund is transferred to the Bond Fund and applied to the payment of the principal of any of the Bonds, or the principal component of the redemption price of any of the Bonds, all as provided in this Indenture.

Notwithstanding anything herein to the contrary, on or before the Initial Mandatory Tender Date, the Freddie Mac Seller/Servicer may deliver to the Trustee, Eligible Funds for deposit into the Collateral Fund, and upon receipt, the Trustee shall release other Eligible Funds on deposit in the Collateral Fund, in an amount equal to the Eligible Funds delivered by the Freddie Mac Seller/Servicer for deposit thereto, to the Lender or as otherwise directed by the Freddie Mac Seller/Servicer.

Section 4.07. Completion of the Project. The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the Completion Certificate required by Section 3.9 of the Loan Agreement. As soon as practicable after the filing with the Trustee of the Completion Certificate, any balance remaining in the Project Fund (other than the amounts retained by the Trustee as described in the Completion Certificate) shall be deposited or applied in accordance with the direction of an Authorized Borrower Representative pursuant to Section 3.6 of the Loan Agreement.

Section 4.08. Expense Fund. There shall be deposited in the Expense Fund the amount, if any, set forth in Section 4.02 hereof and any other amounts delivered to the Trustee for such purpose, to pay the amounts required by this Section 4.08. The Trustee shall apply money on deposit in the Expense Fund solely for the following purposes, on the dates specified below, in the following order of priority:

- (a) to transfer money to the Rebate Fund to the extent necessary to pay the Rebate Amount (if any) pursuant to Article IV of the Tax Exemption Agreement;
- (b) to pay the Ordinary Trustee's Fees and Expenses when due;
- (c) to pay the Dissemination Agent Fee when due;
- (d) to pay the Issuer's Administrative Fee when due;
- (e) to pay the Issuer Fees and Expenses not previously paid; and
- (f) to pay the Rebate Analyst Fee when due.

To the extent money in the Expense Fund is not sufficient to pay the foregoing fees and expenses, such deficiency shall be paid from any moneys in the Costs of Issuance Fund or by the Borrower pursuant to Section 4.4 of the Loan Agreement immediately upon written demand.

Section 4.09. Rebate Fund. The Rebate Fund is created for the sole benefit of the United States of America and shall not be subject to the claim of any other Person, including without limitation, the Issuer or the Holders of the Bonds. The Rebate Fund is established for the purpose of complying with Section 148 of the Code. The money deposited in the Rebate Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in the Tax Exemption Agreement. The Rebate Fund is not a portion of the Trust Estate and is not subject to any lien under this Indenture. Notwithstanding the foregoing, the Trustee is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

Section 4.10. Investment of Special Funds. Except as otherwise set forth in this Section 4.10, money in the Special Funds shall be invested and reinvested by the Trustee in Eligible Investments at the written direction of an Authorized Borrower Representative, and money in the Rebate Fund shall be invested and reinvested by the Trustee as provided in the Tax Exemption Agreement. The Trustee shall have no discretion for investing funds or advising any parties on investing funds. The Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments. In the absence of written directions of an Authorized Borrower Representative as provided above, the Trustee shall be required to invest such funds in [_____, CUSIP _____]. At no time shall the Borrower direct that any funds constituting Gross Proceeds (as defined in the Tax Exemption Agreement) of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code, all as set forth in the Tax Exemption Agreement.

Investments of money in the Bond Fund and the Collateral Fund shall mature or be redeemable at the times and in the amounts necessary to provide money to pay Bond Service Charges on the Bonds as they become due on each Bond Payment Date. Each investment of money in the Project Fund shall mature or be redeemable at the times and in the amounts as may be necessary to make anticipated payments from the Project Fund. Any of those investments may be purchased from or sold to the Trustee, or any bank, trust company or savings and loan association that is an Affiliate of the Trustee. The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient money applicable hereunder to and at the times required for the purposes of paying Bond Service Charges when due as aforesaid, and shall do so without necessity for any order on behalf of the Issuer and without restriction by reason of any order.

The Trustee is permitted to invest in Eligible Investments that mature on or before the Initial Mandatory Tender Date but is not permitted to sell or otherwise dispose of such Eligible Investments prior to maturity at a price below par without first receiving from the Borrower, at the Borrower's Expense, (i) a Cash Flow Projection and (ii) Eligible Funds (excluding, however, proceeds of the Bonds), if any, as set forth in the Cash Flow Projection.

An investment made from money credited to the Special Funds shall constitute part of that respective Special Fund. All investment earnings from amounts on deposit in the Project Fund and the Collateral Fund shall be allocated to the Negative Arbitrage Account of the Bond Fund.

All gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Special Funds shall be credited to and become part of the Special Fund from which the investment was made. All investment earnings, gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Rebate Fund shall be retained therein. Any investment losses from moneys credited to a Special Fund shall be charged against that Special Fund. The Trustee shall not be liable for losses, including depreciation of value, on investments or the sale of investments made in compliance with the provisions of this Indenture. Ratings of Eligible Investments shall be determined at the time of purchase of such Eligible Investments and without regard to ratings subcategories.

Subject to the following sentence, investments shall be sold at the best price obtainable (at least par) whenever it shall be necessary to do so in order to provide moneys to make any transfer, withdrawal, payment or disbursement from the applicable Special Fund. Prior to the Initial Mandatory Tender Date, at the direction of the Borrower, the Trustee is permitted to invest in Eligible Investments that mature on or before the Initial Mandatory Tender Date, but is not permitted to sell or otherwise dispose of such Eligible Investment prior to maturity at a price below par without first receiving a Cash Flow Projection.

Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Service Charges shall be held uninvested and (ii) Bond proceeds and the Negative Arbitrage Deposit shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

Section 4.11. Money to be Held in Trust. Except where money has been deposited with or paid to the Trustee pursuant to an instrument restricting its application to particular Bonds, all money required or permitted to be deposited with or paid to the Trustee under any provision of this Indenture or the Note, and any investments thereof, shall be held by the Trustee in trust. Except for money held by the Trustee in the Rebate Fund pursuant to Section 4.09 hereof, all money described in the preceding sentence held by the Trustee shall be subject to the lien of this Indenture hereof while so held. Money held in the Rebate Fund is not subject to the lien of this Indenture.

The money in any fund or account established under this Indenture shall be subject to the unclaimed property laws of the State.

Section 4.12. Valuation. For the purpose of determining the amount on deposit to the credit of any Special Fund or the Rebate Fund, the value of obligations in which money in any fund or account shall have been invested shall be computed at the then market value thereof based on such public pricing sources as shall generally be available to the Trustee. The Trustee shall have no liability for the accuracy of any such valuation. The Trustee shall have no responsibilities (except as expressly set forth herein) as to the validity, sufficiency, value, genuineness, ownership or transferability of the Trust Estate, written instructions, or any other documents in connection therewith, and will not be regarded as making nor be required to make, any representations thereto.

The Eligible Investments shall be valued by the Trustee at any time requested by an Authorized Borrower Representative on reasonable written notice to the Trustee (which period of notice may be waived or reduced by the Trustee); *provided, however*, that the Trustee shall not be required to value the Eligible Investments more than once in any calendar month.

Section 4.13. Nonpresentment of Bonds. In the event that any Bond shall not be presented for payment when the principal thereof becomes due, or a check or draft for interest is uncashed, if money sufficient to pay the principal then due of that Bond or of such check or draft shall have been made available to the Trustee for the benefit of its Holder, all liability of the Issuer to that Holder for such payment of the principal then due of the Bond or of such check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold such money, without liability for interest thereon, in a separate account in the Bond Fund for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to such money for any claim of whatever nature on its part under this Indenture or on, or with respect to, the principal then due of that Bond or of such check or draft.

If any of such money remains unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period ending three (3) years after it becomes payable or distributable, the Trustee shall comply with the unclaimed property laws of the State, and all liability of the Issuer, the Borrower and the Trustee to the Holder for the payment of such Bond shall forthwith cease, determine and be completely discharged.

Section 4.14. Repayment to the Borrower from the Special Funds. Except as provided in Section 4.09 and Section 4.13 hereof and provided no Event of Default has occurred and is continuing under Section 7.1 of the Loan Agreement, any amounts remaining in the Special Funds (a) after all of the outstanding Bonds shall be paid or deemed paid and discharged under the provisions of this Indenture, and (b) after payment or provision for the payment of all fees, charges and expenses of the Trustee and the Issuer and of all other amounts required to be paid under this Indenture, the Loan Agreement, the Tax Exemption Agreement, the Tax Regulatory Agreement and the Note, shall be paid to the Borrower, to the extent that those amounts are in excess of those necessary to effect the payment and discharge of the outstanding Bonds.

Article V

The Trustee and Remarketing Agent

Section 5.01. Trustee's Acceptance and Responsibilities. The Trustee accepts the duties imposed upon it by this Indenture and has also accepted the Rebate Fund, and agrees to observe and perform those duties, but only upon and subject to the terms and conditions set forth in this Article V, to all of which the parties hereto and the Holders agree.

(a) Prior to the occurrence of a default or an Event of Default (as defined in Section 6.01 hereof) of which the Trustee has been notified, as provided in paragraph (f)

of Section 5.02 hereof, or of which by that paragraph the Trustee is deemed to have notice, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) as Trustee hereunder, the Trustee undertakes to perform only those duties and obligations which are set forth specifically in this Indenture, and no duties or obligations shall be implied to the Trustee, such duties shall be deemed purely ministerial in nature, the Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case a default or an Event of Default has occurred and is continuing hereunder (of which the Trustee has received written notice, or is deemed to have notice pursuant to Section 5.02(f) hereof), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of their own affairs. Such standard of care is not considered a fiduciary standard nor shall the Trustee be considered a fiduciary in performance of its duties.

(c) The Trustee shall not be liable for any acts or omissions, except for such losses, damages or expenses which have been finally adjudicated by a court of competent jurisdiction to have directly resulted from the Trustee's gross negligence or willful misconduct. No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subparagraph (a)(i) of this Section 5.01 or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subparagraph (a)(ii) of this Section 5.01;

(ii) the Trustee shall not be liable for any action taken or error of judgment made in good faith by any one of its officers, agents or employees unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Trustee shall be entitled to request and receive and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the written direction of the Controlling Holders relating to the time, method

and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or satisfactory indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture and the other Financing Documents relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 5.01.

Section 5.02. Certain Rights and Obligations of the Trustee. Except as otherwise provided in Section 5.01 hereof:

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be responsible for the misconduct or negligence of any attorneys, agents, receivers or employees, (ii) shall be entitled to request and rely on and shall not be liable for any action taken or omitted to be taken in accordance with the advice of counsel concerning all matters of trusts hereof and duties hereunder, and (iii) at the expense of the Borrower, may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof. The Trustee may conclusively rely on and act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Borrower) approved by the Trustee in the exercise of reasonable care and shall have no duty to perform an independent investigation as to any statement contained in any opinion or advice it obtains regarding the accuracy or truth of any statement or correctness of any opinion. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice.

(b) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for:

(i) any recital in the Financing Documents or any statement or provision in any Official Statement, Preliminary Official Statement or any other material related to the marketing of the Bonds;

(ii) the validity, priority, recording, re-recording, filing or re-filing of this Indenture, any Supplemental Indenture, the Tax Regulatory Agreement or any of the other Financing Documents;

(iii) any instrument or document of further assurance or collateral assignment;

(iv) the giving, execution, delivery, recording, authorizing, filing or refiling of any financing statements, amendments thereto or continuation statements, notices, instruments, documents, agreements, consents or other papers as shall be necessary to (i) create, preserve, perfect or validate any security interest granted to the Trustee or (ii) enable the Trustee to exercise and enforce its rights with respect to such pledge and security interest, and the Trustee shall have no responsibility or liability (i) in connection with the acts or omissions of any Person in respect of the foregoing or (ii) for or with respect to the legality, validity and enforceability of any security interest created in any collateral or the perfection and priority of such security interest;

(v) insurance of the Project or collection of insurance moneys;

(vi) the validity of the execution by the Issuer of this Indenture, any Supplemental Indenture or instruments or documents of further assurance;

(vii) the existence, genuineness, value, protection or sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby;

(viii) the value of or title to the Project;

(ix) the maintenance of the security hereof; or

(x) the technical or financial feasibility of the Project, or for the compliance of the Project with the Act, or the tax-exempt status of the Bonds.

The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, agreements or obligations on the part of the Issuer or the Borrower under the Loan Agreement except as set forth hereinafter; but the Trustee may require of the Issuer or the Borrower full information and advice as to the observance or performance of those covenants, agreements and obligations. The Trustee shall have no duty or obligation to monitor, observe or perform any of the duties of the Issuer or Borrower, or any of their directors, members, officers, agents, affiliates or employees, nor shall it have any liability in connection with the malfeasance or nonfeasance by such parties, and the Trustee shall have no duty to know or inquire as to the performance or nonperformance of any provision of any agreement, instrument, or document other than this Indenture. The Trustee shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document to which it is not a party, whether or not an original or a copy of such agreement has been provided to the Trustee. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(c) The Trustee shall not be accountable for the use or application by the Borrower or any other Person of the proceeds of any Bonds authenticated or delivered hereunder, the use of amounts paid out in accordance with the provisions of this Indenture, the sufficiency of said proceeds or cash flow to accomplish the intended objective of the

financing, the technical or financial feasibility of the Project, the compliance of the Project with the Act, or the tax-exempt status of the Bonds.

(d) The Trustee may conclusively rely upon and shall be protected, in the absence of bad faith on its part, in acting or refraining from acting upon any resolution, notice, request, direction, consent, certificate, statement, instrument, report, order or decree of a court of competent jurisdiction, judgment, affidavit, bond, debenture, note, other evidence of indebtedness, letter, telegram, opinion or other paper or document reasonably believed by it to be genuine and to have been signed or sent by the proper Person or Persons, not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein. Any action taken by the Trustee pursuant to this Indenture upon the direction, request, authority or consent of any Person who is the Holder of any Bonds at the time of making the request or giving the authority or consent, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact for which the Issuer or the Borrower may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Trustee, in the absence of bad faith on its part, shall be entitled to rely upon a certificate signed on behalf of the Issuer or the Borrower, as appropriate, by an Authorized Official or Authorized Borrower Representative as sufficient evidence of the facts recited therein. Prior to the occurrence of a default or Event of Default hereunder of which the Trustee has been notified, as provided in paragraph (f) of this Section 5.02, or of which by that paragraph the Trustee is deemed to have notice, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; *provided*, that the Trustee in its discretion may require and obtain any further evidence which it deems to be necessary or advisable; and, *provided further*, that the Trustee shall not be bound to secure any further evidence.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default hereunder, except Events of Default described in paragraphs (a) and (b) of Section 6.01 hereof, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the Issuer or by the Holders of at least 25% of the aggregate principal amount of Bonds then outstanding. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default, except as noted above.

(g) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise in respect of the premises.

(h) Notwithstanding anything contained elsewhere in this Indenture, the Trustee may demand, at the expense of the Borrower, and conclusively rely upon any showings, certificates, reports, opinions, appraisals and other information, and any corporate action and evidence thereof, in addition to that required by the terms hereof, as a condition to the authentication of any Bonds or the taking of any action whatsoever within

the purview of the Financing Documents, if the Trustee deems it to be desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds or the right of any Person to the taking of any other action by the Trustee, and the Trustee shall incur no liability and be fully protected in acting or refraining from acting in accordance therewith; *provided*, that the Trustee shall not be required to make that demand.

(i) Before taking action hereunder pursuant to Section 5.04 or Article VI hereof (with the exception of any action required to be taken under Section 6.02 hereof or giving notice of the acceleration of the Bonds under Section 6.03 hereof), the Trustee may require that a satisfactory indemnity bond (satisfactory to the Trustee in its sole and absolute discretion) be furnished to it for the reimbursement of all costs and expenses which it may incur and to protect it against all liability by reason of any action so taken, except liability resulting from its gross negligence or willful misconduct. The Trustee may take action without that indemnity, and in that case, the Borrower shall reimburse the Trustee for all of the Trustee's expenses pursuant to Section 5.03 hereof.

(j) Unless otherwise provided herein, all moneys received by the Trustee under this Indenture shall be held in trust for the purposes for which those moneys were received, until those moneys are used, applied or invested as provided herein; *provided*, that those moneys need not be segregated from other moneys, except to the extent required by this Indenture or by law. The Trustee shall not have any liability for interest on any moneys received hereunder, except to the extent expressly provided herein. The Trustee shall not be required to make any disbursement of funds until having collected funds. Trustee shall not have any liability for any interest or losses incurred in holding funds uninvested or for the investment of any funds in Eligible Investments or for the investment of funds pursuant to the direction of any Person authorized pursuant to the terms hereof to direct the investment of such funds held by Trustee.

(k) Any resolution by the Governing Body, and any opinions, certificates and other instruments and documents for which provision is made in this Indenture, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

(l) The Trustee shall be entitled to file proofs of claim in bankruptcy. Ordinary Trustee Fees and Expenses and Extraordinary Fees and Expenses of the Trustee are intended to constitute administrative expenses in bankruptcy.

(m) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under the Financing Documents shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

(n) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(o) The permissive right of the Trustee to do things enumerated in the Financing Documents shall not be construed as an obligation or duty and the Trustee shall not be answerable for other than its gross negligence or willful misconduct. The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any financial report, offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds except for (i) the information describing the Trustee or its operations in the Official Statement relating to the Bonds, and (ii) any information describing the Trustee or its operations in any other disclosure document; *provided* that such information shall have been provided by the Trustee specifically for inclusion in such disclosure document.

(p) In acting or omitting to act pursuant to the Financing Documents, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Indenture and the Loan Agreement, including, but not limited to, this Article V.

(q) Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder (which shall be a date not later than the Closing Date).

(r) The Trustee agrees to accept and act upon instructions or directions pursuant to the Financing Documents sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, *provided, however*, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer or the Borrower elect to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its reasonable discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. 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 such instructions conflict or are inconsistent with a subsequent written instruction. The Borrower agrees: (i) to assume all risks arising out of the use of such electronic methods to submit instructions and directions 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 Issuer or the Borrower; and (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.

(s) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

(t) The Trustee shall have no duty to review or to determine compliance with the terms hereof, or otherwise, of any documents, reports or information delivered to Trustee by the Borrower, or otherwise, including, but not limited to, any financial statements (audited or otherwise), any Cash Flow Projections and the Trustee shall neither have any duty to verify, review or analyze the accuracy of such documents, reports or information nor be deemed to have notice of the content of such statements or reports or Event of Default based on such content.

(u) The Trustee shall not be responsible or liable for the environmental condition or any contamination of any property which secures the Bonds or for any diminution in value of any such property as a result of any contamination of the property by any hazardous substance, hazardous material, pollutant or contaminant. The Trustee shall not be liable for any claims by or on behalf of the Holders or any other person or entity arising from contamination of the property by any hazardous substance, hazardous material, pollutant or contaminant, and shall have no duty or obligation to assess the environmental condition of any such property or with respect to compliance of any such property under state or federal laws pertaining to the transport, storage, treatment or disposal of, hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits or licenses issued under such laws.

(v) Upon written request by the Rating Agency, the Trustee shall furnish to the Rating Agency the balance of funds on hand with the Trustee and other information as may be reasonably required to maintain the rating on the Bonds.

Section 5.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement by the Borrower, as provided in the Loan Agreement, and the Trustee shall have the right to increase its fees as the cost of business dictates and as negotiated with the Borrower, for customary fees for Ordinary Services rendered hereunder and for all advances, reasonable counsel fees and other Ordinary Expenses reasonably and necessarily paid or incurred by it in connection with the provision of Ordinary Services. For purposes hereof, fees for Ordinary Services and reimbursement of Ordinary Expenses provided for in the definition of Ordinary Trustee Fees and Expense shall be considered customary. In the event that it should become necessary for the Trustee to perform Extraordinary Services, it shall be entitled to payment by the

Borrower for customary extra compensation therefor and to reimbursement by the Borrower for reasonable and necessary Extraordinary Expenses incurred in connection therewith and shall not be required to undertake any Extraordinary Services unless it has received such indemnities or security as it may deem necessary or appropriate in its sole discretion for the payment of such Extraordinary Expenses. Unless and until such time as the Trustee resigns or is replaced, and a successor Trustee is appointed pursuant to Section 5.09 hereunder, the Trustee shall continue to perform its express duties hereunder (but not any Extraordinary Services) notwithstanding the Borrower's failure to timely pay such fees.

Without creating a default or an Event of Default hereunder, however, the Borrower or the Limited Partner may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the amount of any fee, charge or expense after payment of such fee, charge or expense.

The Trustee shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by its gross negligence or willful misconduct. The customary fees for its Ordinary Services and Ordinary Expenses and charges of the foregoing shall be entitled to payment and reimbursement only from (i) the Additional Payments made by the Borrower pursuant to the Loan Agreement, or (ii) from moneys available therefor in the Expense Fund. Any amounts payable to the Trustee pursuant to this Section 5.03 shall be payable upon demand and shall bear interest from the date of demand therefor at the Interest Rate for Advances.

Upon an Event of Default under this Indenture, and only upon an Event of Default under this Indenture, the Trustee shall have a first lien with right of payment prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the Trust Estate for the foregoing fees, charges and expenses incurred by it.

Section 5.04. Intervention by Trustee. The Trustee may intervene on behalf of the Holders, and shall intervene if requested to do so in writing by the Holders of at least 25% of the aggregate principal amount of Bonds then outstanding, in any judicial proceeding to which the Issuer or the Borrower is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of the Bonds. The rights and obligations of the Trustee under this Section 5.04 are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee may require that a satisfactory indemnity bond be provided to it in accordance with Sections 5.01 and 5.02 hereof before it takes action hereunder.

Section 5.05. Successor Trustee. Anything herein to the contrary notwithstanding,

(a) any corporation or association (i) into which the Trustee may be converted or merged, (ii) with which the Trustee or any successor to it may be consolidated, or (iii) to which it may sell or transfer its corporate trust assets and corporate trust business as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Trustee hereunder and shall be vested with all of the title to the whole property or Trust Estate hereunder; and

(b) that corporation or association shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

Any successor Trustee, however, (i) shall be a trust company or a bank having the powers of a trust company, (ii) shall be in good standing within the United States of America or the State, (iii) shall be duly authorized to exercise trust powers within the United States of America or the State, and (iv) shall have a reported capital, surplus and retained earnings of not less than \$50,000,000.

Section 5.06. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including without limitation, the laws of the State) denying or restricting the right of banks or trust companies to transact business as trustees in that jurisdiction. It is recognized that, (a) if there is litigation under this Indenture or other instruments or documents relating to the Bonds and the Project, and in particular, in case of the enforcement hereof or thereof upon a default or an Event of Default hereunder, or (b) if the Trustee should deem that, by reason of any present or future law of any jurisdiction, it may not (i) exercise any of the powers, rights or remedies granted herein to the Trustee, (ii) hold title to the properties, in trust, as granted herein, or (iii) take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an individual or additional institution as a co-Trustee. The following provisions of this Section 5.06 are adopted to these ends.

In the event that the Trustee appoints an individual or additional institution as a co-Trustee, each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee shall be exercisable by, vest in and be conveyed to that co-Trustee, but only to the extent necessary for it to be so vested and conveyed and to enable that co-Trustee to exercise it. Every covenant, agreement and obligation necessary to the exercise thereof by that co-Trustee shall run to and be enforceable by it.

Any co-Trustee, however, (i) shall be a trust company or a bank having the powers of a trust company, (ii) shall be in good standing within the United States of America or the State, (iii) shall be duly authorized to exercise trust powers within the United States of America or the State, and (iv) shall have a reported capital, surplus and retained earnings of not less than \$50,000,000.

Should any instrument or document in writing from the Issuer reasonably be required by the co-Trustee so appointed by the Trustee for vesting and conveying more fully and certainly in and to that co-Trustee those trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens, that instrument or document shall be executed, acknowledged and delivered, but not prepared, by the Issuer. In case any co-Trustee or a successor to it shall die, become incapable of acting, resign or be removed, all of the trusts, properties, remedies, powers, rights, duties,

obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the co-Trustee shall be exercised by, vest in and be conveyed to the Trustee, to the extent permitted by law, until the appointment of a successor to the co-Trustee.

Section 5.07. Resignation by the Trustee. The Trustee may resign at any time from the trusts created hereby by giving thirty (30) days' written notice of the resignation to the Issuer and the Borrower. The resignation shall take effect upon the appointment of a successor Trustee as provided for in Section 5.09 hereof or an order of a court of competent jurisdiction allowing the Trustee to resign.

Section 5.08. Removal of the Trustee. The Trustee may be removed at any time upon at least thirty (30) days' notice by an instrument or document or concurrent instruments or documents in writing delivered to the Trustee, with copies thereof mailed to the Issuer, the Borrower and the Limited Partner, and signed by or on behalf of the Controlling Holders.

The Trustee also may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Borrower or the Controlling Holders.

The removal of the Trustee under this Section 5.08 shall take effect upon the appointment of a successor Trustee as provided for in Section 5.09 of this Indenture.

Section 5.09. Appointment of Successor Trustee. If (a) the Trustee shall resign, shall be removed, shall be dissolved, or shall become otherwise incapable of acting hereunder, (b) the Trustee shall be taken under the control of any public officer or officers, or (c) a receiver shall be appointed for the Trustee by a court, then a successor Trustee shall be appointed by the Borrower; *provided*, that if a successor Trustee is not so appointed within 10 days after (i) a notice of resignation or an instrument or document of removal is received by the Issuer, as provided in Sections 5.07 and 5.08 hereof, respectively, or (ii) the Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, so long as the Borrower shall not have appointed a successor Trustee, the Controlling Holders may designate a successor Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section 5.09 within thirty (30) days of such resignation, removal or other vacancy, the Holder of any Bond outstanding hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Every successor Trustee appointed pursuant to this Section 5.09 shall meet the requirements of Section 5.05 hereof and shall be willing to accept the trusteeship under the terms and conditions of this Indenture.

Every successor Trustee appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor, the Issuer, the Borrower and the Limited Partner an instrument or

document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor, the Issuer, the Borrower or the Limited Partner, and payment of all fees and expenses owed to it, the predecessor Trustee (a) shall execute and deliver an instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the predecessor Trustee hereunder, and (b) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and moneys) held by it as Trustee. Should any instrument or document in writing from the Issuer be requested by any successor Trustee for vesting and conveying more fully and certainly in and to that successor the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens vested or conveyed or intended to be vested or conveyed hereby in or to the predecessor Trustee, the Issuer shall execute, acknowledge and deliver that instrument or document.

In the event of a change in the Trustee, the predecessor Trustee shall cease to be custodian of any moneys which it may hold pursuant to this Indenture and shall cease to be registrar, authenticating agent and paying agent for any of the Bonds, to the extent it served in any of those capacities. The rights of the predecessor Trustee to indemnification and reimbursement of fees and expenses shall survive the Trustee's resignation or removal.

Section 5.10. Adoption of Authentication. In case any of the Bonds shall have been authenticated, but shall not have been delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee and may deliver those Bonds so authenticated as provided herein. In case any Bonds shall not have been authenticated, any successor Trustee may authenticate those Bonds either in the name of any predecessor or in its own name. In all cases, the certificate of authentication shall have the same force and effect as provided in the Bonds or in this Indenture with respect to the certificate of authentication of the predecessor Trustee.

Section 5.11. Dealing in Bonds. The Trustee, its Affiliates, and any directors, officers, employees or agents thereof, in good faith, may become the owners of Bonds secured hereby with the same rights which it or they would have hereunder if the Trustee did not serve in that capacity.

Section 5.12. Representations, Agreements and Covenants of Trustee. The Trustee hereby represents that it is a national banking association organized and existing under and by virtue of the laws of the United States of America, in good standing and duly authorized to exercise corporate trust powers in the State, and that it has an unimpaired reported capital, surplus and retained earnings of not less than \$50,000,000. The Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State, and that it will maintain an unimpaired reported capital, surplus and retained earnings of not less than \$50,000,000. The Trustee accepts and agrees to observe and perform the duties and obligations of the Trustee to which reference is made in any other instrument or document to which it is a party providing security for any of the Bonds.

Section 5.13. Interpleader. In the event of a dispute between any of the parties hereto with respect to the disposition of any funds held by the Trustee hereunder, or the Trustee receives conflicting demands made upon the Trustee with respect to the Trustee's duties hereunder or any other document related to the Bonds, the Trustee shall be entitled to file a suit in interpleader in a court of competent jurisdiction located in the State seeking to require the parties to interplead and litigate in such court their several claims and rights among themselves. Upon the filing of such a suit and the deposit of the applicable funds to such court, the Trustee will *ipso facto* be fully released and discharged from all obligations to further perform any and all duties imposed hereunder or any other document related to the Bonds regarding such matter and/or such funds that are the subject of such interpleader suit. In the event that the Trustee remains as Trustee under this Indenture and receives a court order, directive or other request regarding the interpleader suit, the Trustee shall be entitled to rely upon such instruction without incurring any obligation or liability and the parties hereto release, hold harmless and indemnify the Trustee for any obligation or liability for so relying on such court instruction.

Section 5.14. Survival of Certain Provisions. The provisions of Sections 5.01 through 5.13 of this Indenture shall survive the release, discharge and satisfaction of this Indenture.

Section 5.15. Concerning the Remarketing Agent. The Remarketing Agent identified in Section 1.01 hereof shall serve as the Remarketing Agent for the Bonds. Following any resignation or removal of the Remarketing Agent, the Borrower shall appoint a successor remarketing agent subject to the requirements of Section 5.16 hereof and provide prior notice of such appointment to the Trustee and the Issuer. The Remarketing Agent shall designate to the Trustee its Designated Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee. In addition, the Remarketing Agent will agree particularly to:

- (a) keep such records relating to its computations of interest rates for the Bonds as shall be consistent with prudent industry practice and to make such records available for inspection by the Issuer, the Trustee, the Borrower and the Limited Partner at all reasonable times; and
- (b) perform all of its functions and duties under this Indenture.

The Remarketing Agent shall be entitled to advice of legal counsel on any matter relating to the Remarketing Agent's obligations hereunder and shall be entitled to act upon the opinion of such counsel in the exercise of reasonable care in fulfilling such obligations.

The Remarketing Agent shall be entitled to appoint additional co-Remarketing Agents to assist in the performance of the Remarketing Agent's obligations under this Indenture, and any such appointment shall be effective without any action by the Issuer or the Borrower being necessary; *provided* that any such co-Remarketing Agent, shall have a capitalization of at least \$5,000,000, or shall have a line of credit with a commercial bank in the amount of at least \$5,000,000, shall be in conformity with all standards and requirements of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission, and shall be authorized by law

to perform all the duties imposed upon it by this Indenture. The Remarketing Agent shall take responsibility for any co-Remarketing Agent it appoints.

Section 5.16. Qualifications of the Remarketing Agent. The Remarketing Agent shall be a member in good standing of the Financial Industry Regulatory Authority having a capitalization of at least \$5,000,000, or shall be authorized by law to perform all the duties imposed upon it by this Indenture. Subject to the terms of the Remarketing Agreement, the Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least thirty (30) days' notice of such resignation to the Issuer, the Borrower and the Trustee. The Remarketing Agent may be removed, with prior notice to the Issuer, at any time by the Borrower, with at least thirty (30) days' notice of such removal to the Remarketing Agent.

Upon any resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any money and Bonds held by it in such capacity to its successor.

The Trustee, within thirty (30) days of the resignation or removal of the Remarketing Agent or the appointment of a successor Remarketing Agent, shall give notice thereof by registered or certified mail to the Rating Agency (if the Bonds are then rated) and to the Holders of the Bonds.

Section 5.17. Additional Duties. Notwithstanding any provisions hereof to the contrary, the Trustee shall have the following additional duties:

(a) The Trustee shall provide the Rating Agency upon its written request such information within its possession as the Rating Agency shall reasonably require from time to time in order to maintain the rating on the Bonds; and

(b) Nothing herein shall negate the Trustee's right to compensation and indemnification hereunder and as provided in the Loan Agreement.

Section 5.18. Notices to Rating Agency. The Trustee shall notify the Rating Agency and the Remarketing Notice Parties of (a) the occurrence of an Event of Default of which the Trustee has actual notice, (b) any change in the identity of the Trustee, (c) any amendments, modifications, supplements or changes to this Indenture, the Loan Agreement, the Note or the Bonds, including any extension of principal or modification of interest or redemption premium due on any of the Bonds, in each case only in the event the Trustee has actual notice, (d) any partial prepayment of the Loan or the giving of notice of the call for redemption of any Bonds, (e) any defeasance or acceleration of the Bonds hereunder, (f) any change or notification of proposed change of the Mandatory Tender Date pursuant to a remarketing of the Bonds of which it has actual notice or (g) any change in the Remarketing Agent or the Lender of which the Trustee has written notice.; (h) the occurrence of any monetary or other material default under the Loan of which the Trustee has actual notice; (i) any change or proposed change in the structure or identity of the Borrower of which the Trustee has actual knowledge; (j) any change in the investment of funds subject to the lien of this Indenture; or (k) any sale of Eligible Investments below par, as shown in a Cash Flow Projection delivered to the Rating Agency prior to the sale date.

Article VI

Default Provisions and Remedies of Trustee and Holders

Section 6.01. Defaults; Events of Default. The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

(a) Payment of any interest on any Bond shall not be made when and as that interest shall become due and payable;

(b) Payment of the principal of any Bond shall not be made when and as that principal shall become due and payable, whether at stated maturity, Mandatory Tender, upon redemption, acceleration or otherwise;

(c) Failure by the Issuer to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in this Indenture or in the Bonds, which failure shall have continued for a period of thirty (30) days after written notice, by registered or certified mail, to the Issuer and the Borrower specifying the failure and requiring that it be remedied, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written request of the Controlling Holders; and

(d) The occurrence and continuance of an Event of Default as defined in Section 7.1 of the Loan Agreement.

The term “default” or “failure” as used in this Article VI means (i) a default or failure by the Issuer in the observance or performance of any of the covenants, agreements or obligations on its part to be observed or performed contained in this Indenture or in the Bonds, or (ii) a default or failure by the Borrower under the Loan Agreement, exclusive of any period of grace or notice required to constitute an Event of Default, as provided above or in the Loan Agreement.

Anything in this Indenture to the contrary notwithstanding, the Limited Partner shall have the cure rights set forth in Section 6.03 hereof.

Section 6.02. Notice of Default. If an Event of Default shall occur, the Trustee shall give written notice of the Event of Default, by Electronic Means or by overnight delivery, to the Issuer, the Borrower, the Remarketing Agent, the Lender and the Limited Partner, within ten (10) days after the Trustee has notice of the Event of Default pursuant to Section 5.02(f) hereof. If an Event of Default occurs of which the Trustee has notice pursuant to this Indenture, the Trustee shall give written notice thereof, within thirty (30) days after the Trustee’s receipt of notice of its occurrence, to the Holders of all Bonds then outstanding as shown by the Register at the close of business

fifteen (15) days prior to the mailing of that notice; *provided*, that except in the case of a default in the payment of the principal of or interest on any Bond, the Trustee shall be protected in withholding such notice if the Trustee in good faith determines that the withholding of notice to the Holders is in the interests of the Holders.

Section 6.03. Acceleration. Upon the occurrence of an Event of Default described in Section 6.01(a) or (b), the Trustee may, and upon the written request of the Controlling Holders shall, subject to Section 5.02(j), by written notice delivered to the Borrower and the Issuer, declare the principal of all Bonds then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately; *provided, however*, that the Trustee shall make such declaration only if the Trustee has determined that it will have sufficient funds available to pay (not out of the Trustee's own funds) the full amount of the principal and accrued but unpaid interest to the Holders of the Bonds as of the date of acceleration. If the Trustee is unable to determine that sufficient funds will be available, the Trustee shall declare the principal of the Bonds immediately due and payable, but only upon the written direction of Holders of a majority of the Bonds then outstanding. Upon the occurrence and during the continuance of any Event of Default other than those described in Sections 6.01(a) and 6.01(b) hereof, the Trustee may, and upon written consent of all Holders of Bonds then outstanding, shall declare by a notice in writing delivered to the Borrower, the principal of all Bonds then outstanding (if not then due and payable), and the interest thereon, to be due and payable immediately. Upon such declaration, that principal and interest shall become and be due and payable immediately. Interest on the Bonds shall accrue to the date determined by the Trustee for the tender of payment to the Holders pursuant to that declaration; *provided*, that interest on any unpaid principal of Bonds outstanding shall continue to accrue from the date determined by the Trustee for the tender of payment to the Holders of those Bonds.

The provisions of the preceding paragraph are subject, however, to the condition that if, at any time after declaration of acceleration and prior to the entry of a judgment in a court for enforcement hereunder (after an opportunity for hearing by the Issuer and the Borrower),

(a) all sums payable hereunder (except the principal of and interest on Bonds which have not reached their stated maturity dates but which are due and payable solely by reason of that declaration of acceleration), *plus* interest to the extent permitted by law on any overdue installments of interest at the rate borne by the Bonds shall have been duly paid or provision shall have been duly made therefor by deposit with the Trustee, and

(b) all existing Events of Default shall have been cured,

then and in every case, the Trustee shall waive the Event of Default and its consequences and shall rescind and annul that declaration. No waiver or rescission and annulment shall extend to or affect any subsequent Event of Default or shall impair any rights consequent thereon.

The Limited Partner shall be entitled (but not obligated) to cure any Event of Default hereunder within the time frame provided to the Borrower hereunder. The Issuer and the Trustee agree that cure of any default or Event of Default made or tendered by the Limited Partner shall

be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 6.04. Other Remedies; Rights of Holders. With or without taking action under Section 6.03 hereof, upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy, including without limitation actions at law or in equity to enforce the payment of Bond Service Charges or the observance and performance of any other covenant, agreement or obligation under this Indenture, the Loan Agreement, the Tax Exemption Agreement, the Tax Regulatory Agreement or the Note or any other instrument providing security, directly or indirectly, for the Bonds.

If, upon the occurrence and continuance of an Event of Default, the Trustee is requested so to do by the Controlling Holders, the Trustee (subject to the provisions of Sections 5.01 and 5.02 hereof and particularly subparagraph 5.01(c)(iv) and Subsection 5.02(j) of those Sections), shall exercise any rights and powers conferred by this Section 6.04 and by Section 6.03 hereof.

No remedy conferred upon or reserved to the Trustee (or to the Holders) by this Indenture is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or otherwise to the Trustee or to the Holders now or hereafter existing, *provided* that the only remedy enforceable against the Issuer shall be for specific performance of its covenants hereunder.

No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Holders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

As the assignee of all right, title and interest of the Issuer in and to the Loan Agreement (except for the Reserved Rights), the Trustee is empowered to enforce each remedy, right and power granted to the Issuer under the Loan Agreement (other than with respect to the Reserved Rights). In exercising any remedy, right or power thereunder or hereunder, the Trustee shall take any action which would best serve the interests of the Holders in the judgment of the Trustee, applying the standards described in Sections 5.01 and 5.02 hereof.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding without the approval of the Holders so affected.

Section 6.05. Right of Holders to Direct Proceedings. Anything to the contrary in this Indenture notwithstanding, the Holders of a majority in aggregate principal amount of Bonds then

outstanding shall have the right at any time to direct, by an instrument or document in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or any other proceedings hereunder; *provided*, that (a) any direction shall not be other than in accordance with the provisions of law and of this Indenture, (b) the Trustee shall be indemnified as provided in Sections 5.01 and 5.02 hereof, and (c) the Trustee may take any other action which it deems to be proper and which is not inconsistent with the direction.

Section 6.06. Application of Money. If at any time after the occurrence of an Event of Default the money held by the Trustee under this Indenture (other than amounts in the Rebate Fund) shall not be sufficient to pay the principal of and interest on the Bonds as the same become due and payable, such money, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of remedies in this Article VI or otherwise, shall, be applied by the Trustee as set forth in this Section 6.06.

After payment of any costs, expenses, liabilities and advances paid, incurred or made by the Trustee in the collection of money and to all fees of the Trustee for Ordinary Trustee Fees and Expenses and Extraordinary Trustee Fees and Expenses pursuant to any right given or action taken under the provisions of this Article VI or the provisions of the Financing Documents (including without limitation, reasonable attorneys' fees and expenses, except as limited by law or judicial order or decision entered in any action taken under this Article VI), all money received by the Trustee, shall be applied as follows, subject to Section 2.05 hereof and any provision made pursuant to Section 4.10 or 4.11 hereof:

(a) Unless the principal of all of the Bonds shall have become, or shall have been declared to be, due and payable, all of such money shall be deposited in the Bond Fund and shall be applied:

First — To the payment to the Holders entitled thereto of all installments of interest then due on the Bonds, in the order of the dates of maturity of the installments of that interest, beginning with the earliest date of maturity and, if the amount available is not sufficient to pay in full any particular installment, then to the payment thereof ratably, according to the amounts due on that installment, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds; and

Second — To the payment to the Holders entitled thereto of the unpaid principal of any of the Bonds which shall have become due, in the order of their due dates, beginning with the earliest due date, with interest on those Bonds from the respective dates upon which they became due at the rates specified in those Bonds, and if the amount available is not sufficient to pay in full all Bonds due on any particular date, together with that interest, then to the payment thereof ratably, according to the amounts of principal due on that date, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(b) If the principal of all of the Bonds shall have become due or shall have been declared to be due and payable pursuant to this Article VI, all of such money shall be deposited into the Bond Fund and shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest, of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all of the Bonds shall have been declared to be due and payable pursuant to this Article VI, and if that declaration thereafter shall have been rescinded and annulled under the provisions of Section 6.03 or 6.10 hereof, subject to the provisions of paragraph (b) of this Section 6.06 in the event that the principal of all of the Bonds shall become due and payable later, the money shall be deposited in the Bond Fund and shall be applied in accordance with the provisions of paragraph (a) of this Section 6.06.

(d) Whenever money is to be applied pursuant to the provisions of this Section 6.06, such money shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of money available for application and the likelihood of additional money becoming available for application in the future. Whenever the Trustee shall direct the application of such money, it shall fix the date upon which the application is to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the money is available therefor. The Trustee shall give notice of the deposit with it of any money and of the fixing of that date, all consistent with the requirements of Section 2.05 hereof for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

Section 6.07. Remedies Vested in Trustee. All rights of action (including without limitation, the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the outstanding Bonds, subject to the provisions of this Indenture.

Section 6.08. Rights and Remedies of Holders. A Holder shall not have any right to institute any suit, action or proceeding for the enforcement of this Indenture, for the execution of any trust hereof, or for the exercise of any other remedy hereunder, unless:

(a) there has occurred and is continuing an Event of Default of which the Trustee has been notified, as provided in paragraph (f) of Section 5.02 hereof, or of which it is deemed to have notice under that paragraph,

(b) the Controlling Holders shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name, and shall have offered indemnity to the Trustee as provided in Sections 5.01 and 5.02 hereof, and

(c) the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name.

At the option of the Trustee, that notification (or notice), request, opportunity and offer of indemnity are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds shall have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of this Indenture by its or their action, or to enforce, except in the manner provided herein, any remedy, right or power hereunder. Any suit, action or proceedings shall be instituted, had and maintained in the manner provided herein for the benefit of the Holders of all Bonds then outstanding. Nothing in this Indenture shall affect or impair, however, the right of any Holder to enforce the payment of the Bond Service Charges on any Bond owned by that Holder at and after the maturity thereof, at the place, from the sources and in the manner expressed in that Bond.

Section 6.09. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any remedy, right or power under this Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Issuer and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

Section 6.10. Waivers of Events of Default. Except as hereinafter provided, at any time, in its discretion, the Trustee may waive any Event of Default hereunder and its consequences and may rescind and annul any declaration of maturity of principal of or interest on, the Bonds. The Trustee shall do so upon the written request of the Controlling Holders.

There shall not be so waived, however, any Event of Default described in paragraph (a) or (b) of Section 6.01 hereof or any declaration of acceleration in connection therewith rescinded or annulled, unless at the time of that waiver or rescission and annulment payments of the amounts provided in Section 6.03 hereof for waiver and rescission and annulment in connection with acceleration of maturity have been made or provision has been made therefor. In the case of the waiver or rescission and annulment, or in case any suit, action or proceedings taken by the Trustee on account of any Event of Default shall have been discontinued, abandoned or determined adversely to it, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Article VII

Supplemental Indentures

Section 7.01. Supplemental Indentures Generally. The Issuer and the Trustee may enter into Supplemental Indentures as provided in this Article VII.

Section 7.02. Supplemental Indentures Not Requiring Consent of Holders. Without the consent of, or notice to, any of the Holders, the Issuer and the Trustee may enter into Supplemental Indentures for any one or more of the following purposes:

- (a) To cure any ambiguity, inconsistency or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;
- (c) To assign additional revenues under this Indenture;
- (d) To accept additional security and instruments and documents of further assurance with respect to the Project;
- (e) To add to the covenants, agreements and obligations of the Issuer under this Indenture, other covenants, agreements and obligations to be observed for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in this Indenture;
- (f) To evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under this Indenture, the Loan Agreement and the Bonds;
- (g) To facilitate (i) the transfer of Bonds held in Book-Entry Form from one Depository to another and the succession of Depositories, or (ii) the withdrawal of Bonds delivered to a Depository for use in a Book-Entry System and the issuance of replacement Bonds in fully registered form and in the form of physical certificates to others than a Depository;
- (h) To permit the Trustee to comply with any obligations imposed upon it by law;
- (i) To specify further the duties and responsibilities of the Trustee; and
- (j) To achieve compliance of this Indenture or the Bonds with any applicable federal securities or income tax law.

The provisions of Subsections 7.02(h) and (j) shall not be deemed to constitute a waiver by the Trustee, the Issuer or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to this Indenture or the Bonds.

Section 7.03. Supplemental Indentures Requiring Consent of Holders. Exclusive of Supplemental Indentures to which reference is made in Section 7.02 hereof and subject to the terms, provisions and limitations contained in this Section 7.03, and not otherwise, with the consent of the Controlling Holders, evidenced as provided in this Indenture, and with the consent of the Borrower if required by Section 7.04 hereof, the Issuer and the Trustee may execute and deliver Supplemental Indentures adding any provisions to, changing in any manner or eliminating any of the provisions of this Indenture or any Supplemental Indenture or restricting in any manner the rights of the Holders. Nothing in this Section 7.03 or Section 7.02 hereof shall permit, however, or be construed as permitting:

(a) without the consent of the Holder of each Bond so affected, (i) an extension of the maturity of the principal of or the interest on any Bond or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or

(b) without the consent of the Holders of all Bonds then outstanding, (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Indenture.

If the Issuer shall request that the Trustee execute and deliver any Supplemental Indenture for any of the purposes of this Section 7.03, upon (i) being satisfactorily indemnified with respect to its expenses in connection therewith, and (ii) if required by Section 7.04 hereof, receipt of the Borrower's consent to the proposed execution and delivery of the Supplemental Indenture, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Indenture to be mailed by first-class mail, postage prepaid, to all Holders of Bonds then outstanding at their addresses as they appear on the Register at the close of business on the fifteenth day preceding that mailing.

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice required by this Section 7.03. Any failure of that nature shall not affect the validity of the Supplemental Indenture when there has been consent thereto as provided in this Section 7.03. The notice shall set forth briefly the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Designated Office of the Trustee for inspection by all Holders.

If the Trustee shall receive, within a period prescribed by the Borrower, of not less than sixty (60) days, but not exceeding one year, following the mailing of the notice, an instrument or document or instruments or documents, in form to which the Trustee does not reasonably object, purporting to be executed by the Controlling Holders (which instrument or document or instruments or documents shall refer to the proposed Supplemental Indenture in the form described in the notice and specifically shall consent to the Supplemental Indenture in substantially that form), the Trustee shall, but shall not otherwise, execute and deliver the Supplemental Indenture

in substantially the form to which reference is made in the notice as being on file with the Trustee, without liability or responsibility to any Holder, regardless of whether that Holder shall have consented thereto.

Any consent shall be binding upon the Holder of the Bond giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond issued in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Indenture). A consent may be revoked in writing, however, by the Holder who gave the consent or by a subsequent Holder of the Bond by a revocation of such consent received by the Trustee prior to the execution and delivery by the Trustee of the Supplemental Indenture. At any time after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the Issuer a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement shall be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Bonds outstanding shall have consented to the Supplemental Indenture, as provided in this Section 7.03, no Holder shall have any right (a) to object to (i) the execution or delivery of the Supplemental Indenture, (ii) any of the terms and provisions contained therein, or (iii) the operation thereof, (b) to question the propriety of the execution and delivery thereof, or (c) to enjoin or restrain the Trustee or the Issuer from that execution or delivery or from taking any action pursuant to the provisions thereof.

Section 7.04. Consent of the Borrower. Anything contained herein to the contrary notwithstanding, any Supplemental Indenture executed and delivered in accordance with this Article VII that affects in any material respect any rights or obligations of the Borrower shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery of that Supplemental Indenture; *provided, however*, that no consent shall be required if the Borrower is the source of an Event of Default under the Loan Agreement.

Section 7.05. Responsibilities of Trustee. Notwithstanding anything else contained herein, the Trustee shall not be required to enter into any Supplemental Indenture, amendment, change or modification which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 7.06. Authorization to Trustee; Effect of Supplement. The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture in accordance with this Article VII and to make the further agreements and stipulations which may be contained therein. Thereafter,

- (a) That Supplemental Indenture shall form a part of this Indenture;
- (b) All terms and conditions contained in that Supplemental Indenture as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Indenture for any and all purposes;

(c) This Indenture shall be deemed to be modified and amended in accordance with the Supplemental Indenture; and

(d) The respective rights, duties and obligations under this Indenture of the Issuer, the Borrower, the Remarketing Agent, the Trustee and all Holders of Bonds then outstanding shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Indenture.

Express reference to any executed and delivered Supplemental Indenture may be made in the text of any Bonds issued thereafter, if that reference is deemed necessary or desirable by the Trustee or the Issuer. A copy of any Supplemental Indenture for which provision is made in this Article VII, except a Supplemental Indenture described in Section 7.02 (g) hereof, shall be mailed to the Holders by the Trustee. The Trustee shall not be required to execute any supplemental indenture containing provisions adverse to the Trustee.

Section 7.07. Opinion of Counsel. The Trustee shall receive, and shall be fully protected in relying upon, an Opinion of Bond Counsel as conclusive evidence that (a) any proposed Supplemental Indenture complies with the provisions of this Indenture, and (b) it is proper for the Trustee to join in the execution of that Supplemental Indenture under the provisions of this Article VII.

Before the Issuer and the Trustee shall enter into any Supplemental Indenture, there shall have been delivered to the Trustee and the Issuer a Favorable Opinion of Bond Counsel.

Section 7.08. Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the Issuer and of the Holders, and the terms and provisions of the Bonds and this Indenture or any Supplemental Indenture, may be modified or altered in any respect with the consent of (a) the Issuer, (b) the Holders of all of the Bonds then outstanding, (c) the Borrower and the Limited Partner and (d) if such modification or alteration contains provisions adverse to the Trustee, as determined by the Trustee, the Trustee.

Article VIII

Defeasance

Section 8.01. Release of Indenture. If (a) all of the outstanding Bonds are paid and discharged, or if there otherwise shall be paid to the Holders of the outstanding Bonds, all Bond Service Charges due or to become due thereon, and (b) provision also shall be made for the payment of all other sums payable hereunder or under the Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement and the Note, then this Indenture shall cease, determine and become null and void (except for those provisions surviving by reason of Section 8.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 8.02 hereof), and the covenants, agreements and obligations of the Issuer hereunder shall be released, discharged and satisfied.

Thereupon, and subject to the provisions of Section 8.03 hereof if applicable,

(a) the Trustee shall release this Indenture (except for those provisions surviving by reason of Section 8.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 8.02 hereof), and shall execute and deliver to the Issuer any instruments or documents in writing as shall be requisite to evidence that release and discharge or as reasonably may be requested by the Issuer, and

(b) the Trustee shall assign and deliver to the Issuer any property subject at the time to the lien of this Indenture which then may be in its possession, except amounts in the Bond Fund required (i) to be paid to the Borrower under Section 4.14 hereof, or (ii) to be held by the Trustee under Section 4.13 hereof or otherwise for the payment of Bond Service Charges.

Section 8.02. Payment and Discharge of Bonds. All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of this Indenture, including without limitation, Section 8.01 hereof, if:

(a) the Trustee as paying agent shall have received, in trust for and irrevocably committed thereto, sufficient Eligible Funds, or

(b) the Trustee shall have received, in trust for and irrevocably committed thereto, noncallable Government Obligations which are certified by an Independent public accounting firm of national reputation to be of such maturities or redemption dates and interest payment dates, and to bear such interest, as will be sufficient together with any Eligible Funds to which reference is made in subparagraph (a) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed, except as provided herein), for the payment of all Bond Service Charges on those Bonds at their maturity or their redemption date, as the case may be.

Any money held by the Trustee in accordance with the provisions of this Section 8.02 may be invested by the Trustee at the written direction of the Borrower only in noncallable Government Obligations having maturity dates, or having redemption dates which, at the option of the owner of those obligations, shall be not later than the date or dates at which money will be required for the purposes described above. To the extent that any income or interest earned by, or increment to, the investments held under this Section 8.02 is determined from time to time by the Trustee to be in excess of the amount required to be held by the Trustee for the purposes of this Section 8.02, that income, interest or increment shall be transferred at the time of that determination in the manner provided in Section 4.14 hereof for transfers of amounts remaining in the Bond Fund upon the written direction of the Borrower.

If any Bonds shall be deemed paid and discharged pursuant to this Section 8.02, then within fifteen (15) days after such Bonds are so deemed paid and discharged the Trustee shall cause a written notice prepared by the Borrower to be given to each Holder as shown on the Register on the date on which such Bonds are deemed paid and discharged. Such notice shall (i) state the

numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged, and (ii) set forth a description of the obligations held pursuant to subparagraph (b) of the first paragraph of this Section 8.02.

Section 8.03. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of this Indenture which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of money in trust, and repayments to the Borrower from the Bond Fund, the rebate of money to the United States in accordance with Section 4.09 hereof and the Tax Exemption Agreement, and the rights and duties of the Trustee in connection with all of the foregoing, or which by their terms survive payment and discharge of the Bonds, shall remain in effect and be binding upon the Trustee and the Holders notwithstanding the release and discharge of this Indenture. The provisions of this Article VIII shall survive the release, discharge and satisfaction of this Indenture. The obligations of the Borrower to pay the Trustee its fees and expenses hereunder shall survive the release, discharge and satisfaction of this Indenture, but shall terminate effective automatically upon payment in full by the Borrower of all fees and expenses owed by the Borrower to the Trustee as of the date of termination of this Indenture.

Article IX

Covenants and Agreements of the Issuer

Section 9.01. Covenants and Agreements of the Issuer. In addition to any other covenants and agreements of the Issuer contained in this Indenture or the Bond Resolution, the Issuer further covenants and agrees with the Holders and the Trustee as follows:

(a) *Payment of Bond Service Charges.* The Issuer will cause all Bond Service Charges to be paid solely from the sources provided herein, on the dates, at the places and in the manner provided in this Indenture; *provided* that the Bond Service Charges are limited obligations of the Issuer payable solely by the Issuer from the Trust Estate, and nothing in this Indenture or the Bonds shall be considered as assigning or pledging any funds or assets of the Issuer other than the Trust Estate.

(b) *Performance of Covenants; Authority; Due Execution.* The Issuer covenants that it will faithfully perform or cause to be performed at all times any and all covenants, undertakings, stipulations and provisions to be performed by the Issuer contained in this Indenture and the other Issuer Documents, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Issuer is duly authorized under the laws of the State, including particularly the Act, to issue the Bonds, to execute this Indenture and to pledge the amounts hereby pledged in the manner and to the extent herein set forth. The Issuer further covenants that all action on its part for the issuance of the Bonds and the execution and delivery of the Issuer Documents have been duly and effectively taken, and that the Bonds in the hands of the Holders thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof.

(c) *Revenues and Assignment of Revenues.* To the extent within its power, the Issuer will not assign the Revenues or create or authorize to be created any debt, lien or charge thereon, other than the assignment thereof under this Indenture.

(d) *Inspection of Project Books.* All books, instruments and documents in the Issuer's possession relating to the Project and the Revenues shall be open to inspection and copying during reasonable times and upon reasonable notice by any accountants or other agents of the Trustee that the Trustee may designate from time to time.

(e) *Register.* At reasonable times and under reasonable regulations established by the Trustee, the Register may be inspected and copied (at the expense of the person making such copies) by the Borrower, the Limited Partner, the Issuer, the Controlling Holders, or by a designated representative thereof.

(f) *Rights and Enforcement of the Loan Agreement.* The Trustee may enforce, in its name or in the name of the Issuer, all rights of the Issuer for and on behalf of the Holders, except for Reserved Rights, and may enforce all covenants, agreements and obligations of the Borrower under and pursuant to the Loan Agreement, regardless of whether the Issuer is in default in the pursuit or enforcement of those rights, covenants, agreements or obligations. The Issuer, however, will do all things and take all actions on its part necessary to comply with covenants, agreements, obligations, duties and responsibilities on its part to be observed or performed under the Loan Agreement, and will take all actions within its authority to keep the Loan Agreement in effect in accordance with the terms thereof.

Section 9.02. Limited Obligations of the Issuer. NOTWITHSTANDING ANY OTHER PROVISION OF THIS INDENTURE TO THE CONTRARY, THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON, THE BONDS SOLELY OUT OF THE TRUST ESTATE. THE BONDS SHALL BE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE BONDS SHALL CONSTITUTE A VALID CLAIM OF THE RESPECTIVE HOLDERS THEREOF AGAINST THE TRUST ESTATE, WHICH IS PLEDGED TO SECURE THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS AND WHICH SHALL BE UTILIZED FOR NO OTHER PURPOSE, EXCEPT AS EXPRESSLY AUTHORIZED IN THIS INDENTURE. THE BONDS SHALL NEVER CONSTITUTE AN INDEBTEDNESS OR GENERAL OBLIGATION OF THE ISSUER, THE STATE OF TEXAS, THE SPONSOR, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF TEXAS, WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION WHATSOEVER. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE SPONSOR, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF TEXAS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE BONDS OR THE INTEREST OR ANY PREMIUM THEREON OR OTHER COSTS INCIDENT THERETO. THE ISSUER HAS NO TAXING POWER.

Section 9.03. Limitation on Issuer's Obligations. Any other term or provision in this Indenture or the other Financing Documents to the contrary notwithstanding, any and all

obligations (including without limitation, fees, claims, demands, payments, damages, liability, penalties, assessments and the like) of or imposed upon the Issuer are subject to Section 2.04 hereof and the following:

(a) *Waiver of Personal Liability.* No Issuer Indemnified Person shall be individually or personally liable for the payment of any principal, premium, if any, or interest on the Bonds or any costs incidental thereto or any sum hereunder or under the Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Indenture or the Loan Agreement except in the case of such Issuer Indemnified Person's own willful misconduct.

(b) *Non-Liability of Issuer.* The Issuer shall not be obligated to pay the principal (or redemption price) of or interest on the Bonds, except from the Trust Estate. The Issuer shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Indenture, the Bonds or the Loan Agreement, except only to the extent amounts are received for the payment thereof from the Borrower under the Loan Agreement, and except as may result solely from the Issuer's own willful misconduct.

(c) *No Obligation to Enforce Assigned Rights.* Notwithstanding anything to the contrary in this Indenture, the Issuer shall have no obligation to and instead the Trustee may, without further direction from the Issuer, take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer under this Indenture and the Loan Agreement (other than the Reserved Rights), including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Borrower under the Loan Agreement.

(d) *Role of Issuer.* The Issuer shall not be required to take any action not expressly provided for herein. The Issuer shall have no obligation to review, control or oversee the activities of the Trustee in collecting any amounts payable pursuant to the Loan Agreement or this Indenture, or in making any payments on the Bonds. Further, the Issuer shall not be obligated to take any action or execute any document which might in its reasonable judgment involve it in any expense or liability unless it shall have been furnished with assurance of payment or reimbursement for any expense and with reasonable indemnity for liability of the Issuer Indemnified Persons.

The Trustee hereby acknowledges that the Issuer's sole source of money to repay the Bonds will be provided by the Trust Estate, and hereby agrees that if such amounts shall ever prove insufficient to pay all principal, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise) or any costs incidental thereto, then the Trustee shall give notice to the Borrower to pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, premium, if any, or interest, or costs incidental thereto including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Trustee, the Issuer or any such third party, as the case may be.

Section 9.04. Issuer Tax Covenants. The Issuer represents, covenants and agrees that it will:

- (a) comply with all applicable requirements of the Code that are necessary to preserve the Federal Tax Status of the Bonds, as further set forth in the Tax Exemption Agreement; and
- (b) not take any action inconsistent with its expectations stated in the Tax Exemption Agreement and will comply with the covenants and requirements stated therein and incorporated by reference herein

Article X

Amendments to Loan Agreement, Note, Tax Regulatory Agreement or Tax Exemption Agreement

Section 10.01. Amendments Not Requiring Consent of Holders. Without the consent of or notice to the Holders, the Issuer, the Borrower, the Limited Partner and the Trustee may enter into or consent to, as applicable, any amendment, change or modification of the Loan Agreement, the Note, the Tax Regulatory Agreement or the Tax Exemption Agreement, as the case may be, as may be required or permitted (a) by the provisions of the Financing Documents, (b) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Loan Agreement, the Note, the Tax Regulatory Agreement or the Tax Exemption Agreement, as the case may be, (c) in connection with an amendment or to effect any purpose for which there could be an amendment of this Indenture pursuant to Section 7.02 hereof, or (d) in connection with any other change therein which is not materially prejudicial to the Trustee or the Holders of the Bonds, in the judgment of the Trustee (*provided* that the Trustee is entitled to the advice of counsel or other experts, at its discretion, in making such decision).

Section 10.02. Amendments Requiring Consent of Holders. Except for the amendments, changes or modifications contemplated in Section 10.01 hereof, neither the Issuer nor the Trustee shall consent to:

- (a) any amendment, change or modification of the Loan Agreement or the Note which would change the amount or time as of which Loan Payments and Collateral Payments are required to be paid, without the giving of notice as provided in this Section 10.02 of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of all of the then outstanding Bonds affected by such amendment, change or modification, or
- (b) any other amendment, change or modification of the Loan Agreement, the Note, the Tax Regulatory Agreement or the Tax Exemption Agreement without the giving of notice as provided in this Section 10.02 of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of the Controlling Holders.

The consent of the Holders shall be obtained as provided in Section 7.03 hereof with respect to Supplemental Indentures.

If the Issuer or an Authorized Borrower Representative shall request at any time the consent of the Trustee to any proposed amendment, change or modification of the Loan Agreement, the Note, the Tax Regulatory Agreement or the Tax Exemption Agreement contemplated in subparagraphs (a) or (b) of this Section 10.02, upon being indemnified satisfactorily with respect to expenses, the Trustee shall cause notice of the proposed amendment, change or modification to be provided in the manner which is required by Section 7.03 hereof with respect to notice of Supplemental Indentures. The notice shall set forth briefly the nature of the proposed amendment, change or modification and shall state that copies of the instrument or document embodying it are on file at the Designated Office of the Trustee for inspection by all Holders.

Section 10.03. Consent of the Borrower. Anything contained herein to the contrary notwithstanding, any of the documents described in Sections 10.01 and 10.02 hereof executed and delivered in accordance with this Article X shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery thereof.

Section 10.04. Favorable Opinion of Bond Counsel. Before the Issuer and the Trustee shall consent to any amendment, change or modification of any of the documents described in Sections 10.01 and 10.02, there shall be delivered (i) a Favorable Opinion of Bond Counsel to the Trustee and the Issuer and (ii) the Issuer and the Trustee shall be fully protected in relying upon, an Opinion of Bond Counsel as conclusive evidence that any such amendment, change or modification complies with the provisions of this Indenture.

Article XI

Miscellaneous

Section 11.01. Limitation of Rights. With the exception of rights conferred expressly in this Indenture, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Remarketing Agent, the Borrower, the Limited Partner and the Holders of the Bonds any legal or equitable right, remedy, power or claim under or with respect to this Indenture or any covenants, agreements, conditions and provisions contained herein. This Indenture and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto, the Remarketing Agent, the Borrower and the Holders of the Bonds, as provided herein.

Section 11.02. Severability. In case any section or provision of this Indenture, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, or any application thereof, is held by a court of competent jurisdiction to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Indenture or any other covenant, agreement, stipulation, obligation, act or action, or part

thereof, made, assumed, entered into or taken under this Indenture, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein.

Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, provision, covenant, agreement, stipulation, obligation, act, action, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

Section 11.03. Notices. Except as provided in Section 6.02 hereof, it shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is duly mailed by first-class mail, postage pre-paid, or is forwarded by overnight courier service, delivery charges pre-paid. Notices to the Issuer, the Borrower, the Limited Partner, the Lender, the Trustee, the Remarketing Agent and the Rating Agency shall be delivered to their respective Notice Address. Copies of all notices required to be sent to the Borrower shall be sent simultaneously to the Limited Partner.

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Issuer, the Trustee, the Borrower or the Limited Partner to one or both of the others also shall be given to the others. In addition to the foregoing, the Trustee hereby agrees to send written notice to the Rating Agency upon the occurrence of any of the following events: (1) any change in the Trustee; (2) any amendment to the documents; (3) any change or notification of the proposed change of the Mandatory Tender Date or the Remarketing Date; (4) any partial payment of any Bond Loan or the giving of notice of the call for redemption (in whole or in part) of the Bonds or (5) any defeasance or acceleration of the Bonds.

The Issuer, the Trustee, the Borrower, the Limited Partner, the Lender, the Remarketing Agent and the Rating Agency may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or Persons to whose attention the same shall be directed.

In connection with any notice mailed pursuant to the provisions of this Indenture, a certificate of the Trustee, the Issuer, the Borrower, the Limited Partner or the Holders of the Bonds, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

Section 11.04. Suspension of Mail and Courier Service. If because of the suspension of delivery of first-class mail or of delivery by overnight courier services, or for any other reason, the Trustee shall be unable to mail by the required class of mail or forward by overnight courier service any notice required to be given by the provisions of this Indenture, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate the required mailing or forwarding thereof, and the giving of that notice in that manner for all purposes of this Indenture shall be deemed to be in compliance with the requirement of this Section 11.04. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

Section 11.05. Payments Due on Non-Business Days. If any Bond Payment Date is a day other than a Business Day, then payment of interest and principal need not be made by the Trustee on that date, but that payment may be made on the next succeeding Business Day on which the Trustee is open for business with the same force and effect as if that payment were made on the Bond Payment Date, and no interest shall accrue for the period after that date.

Section 11.06. Instruments of Holders. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, required under this Indenture to be executed by any Holder may be in any number of concurrent writings of similar tenor and may be executed by that Holder in person or by an agent or attorney appointed in writing. Proof of (a) the execution of any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, (b) the execution of any writing appointing any agent or attorney, and (c) the ownership of Bonds, shall be sufficient for any of the purposes of this Indenture, if made in the following manner, and if so made, shall be conclusive in favor of the Trustee with regard to any action taken thereunder, namely:

(i) The fact and date of the execution by any person of any writing may be proved by the certificate of any officer in any jurisdiction, who has power by law to take acknowledgments within that jurisdiction, that the person signing the writing acknowledged that execution before that officer, or by affidavit of any witness to that execution; and

(ii) The fact of ownership of Bonds shall be proved by the Register maintained by the Trustee.

Nothing contained herein shall be construed to limit the Trustee to the foregoing proof, and the Trustee may accept any other evidence of the matters stated therein which it deems to be sufficient. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, of the Holder of any Bond shall bind every future Holder of the same Bond, with respect to anything done or suffered to be done by the Issuer, the Borrower or the Trustee pursuant to that writing.

Section 11.07. Priority of this Indenture. This Indenture shall be superior to any liens which may be placed upon the Revenues or any other funds or accounts created pursuant to this Indenture.

Section 11.08. Binding Effect. This Indenture shall inure to the benefit of and shall be binding upon the Issuer and the Trustee and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 11.09. Counterparts. This Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 11.10. Patriot Act. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such

as a business entity, a charity, a trust or other legal entity the Trustee will request documentation to verify its formation and existence as a legal entity. Furthermore, if required by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. No. 107-56. 115 Stat. 272 (2001), as amended, the Trustee may request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. The Trustee will request any such documentation under this Section 11.10 from the Borrower in accordance with the Loan Agreement and will not request such documentation from the Issuer.

Section 11.11. Governing Law. This Indenture and the Bonds shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State. The parties hereby (i) irrevocably submit to the exclusive jurisdiction of any federal or state court sitting in Texas, (ii) waive any objection to laying of venue in any such action or proceeding in such courts, and (iii) waive any objection that such courts are an inconvenient forum or do not have jurisdiction over any party.

Section 11.12. Waiver of Trial by Jury. Each of the parties hereto hereby waives the right to trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Indenture.

[Signature Pages Follow]

In Witness Whereof, the Issuer and the Trustee have caused this Trust Indenture to be executed and delivered by duly authorized officers thereof as of the day and year first written above.

Manor Housing Public Facility Corporation

By: _____
Dr. Christopher Harvey
President

Attest:

By: _____
Lluvia Almaraz
Secretary

BOKF, NA, as Trustee

By: _____

Rosalyn Davis
Vice President

Exhibit A

Form of Bond

Notice: Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful since the registered owner hereof, Cede & Co., has an interest herein.

Registered
No. R-_____

Registered
\$[]

**Manor Housing Public Facility Corporation
Multifamily Housing Revenue Bonds
(Tower Road Apartments),
Series 2024**

This Bond is being issued under the provisions of the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as Amended. This Bond and the issue of which it forms a part are not general obligations of the Issuer, but are limited obligations payable solely from the moneys and properties pledged for payment thereof. Neither the faith and credit nor the taxing power of the State, the Sponsor, or other political subdivision of the State is pledged to the payment of the principal of or the interest on this Bond.

Interest Rate	Maturity Date	Dated Date	CUSIP
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Registered Owner: Cede & Co.

Principal Amount: [_____] Thousand and 00/100 Dollars

The Manor Housing Public Facility Corporation (the “*Issuer*”), a public facility corporation organized and existing under the laws of the State of Texas, for value received, promises to pay to the Registered Owner specified above or registered assigns, but solely from the sources and in the manner referred to herein, the Principal Amount specified above on the Maturity Date specified above (subject to the rights of redemption and tender set forth herein), and to pay from those sources interest on the unpaid principal balance of said Principal Amount calculated at the aforesaid Initial Interest Rate on (a) March 1 and September 1 of each year, beginning March 1, 2025, (b) each Mandatory Tender Date, (c) each Redemption Date, (d) the Maturity Date, and (e) the date of acceleration of the Bonds (the “*Interest Payment Dates*”), until the principal amount is paid or duly provided for. This Bond will bear interest from the most recent date to which

interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from the date of initial delivery.

This Bond shall bear interest at a rate per annum equal to the Interest Rate, calculated on the basis of a 360-day year consisting of twelve 30-day months.

The principal of this Bond is payable upon presentation and surrender hereof at the designated corporate trust office of the trustee, presently BOKF, NA (the “*Trustee*”). Interest is payable on each Interest Payment Date by check or draft mailed to the person in whose name this Bond (or one or more predecessor bonds) is registered (the “*Holder*”) at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date (the “*Regular Record Date*”) on the registration books for this issue maintained by the Trustee, as registrar, at the address appearing therein. Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder hereof (or of one or more predecessor bonds) as of the Regular Record Date and shall be payable to the Holder hereof (or of one or more predecessor bonds) at the close of business on a Special Record Date to be fixed by the Trustee for the payment of that overdue interest. Notice of the Special Record Date shall be mailed to Holders not less than 10 days prior thereto. The principal of and interest on this Bond are payable in lawful money of the United States of America, without deduction for the services of the paying agent. While the Bonds are held in a book-entry system and in certain other circumstances, all as provided in the Indenture, principal of and interest on this Bond is required to be paid by wire transfer or other arrangement, other than any payment of the entire unpaid principal amount hereof.

This Bond is one of a duly authorized issue of the Issuer’s Multifamily Housing Revenue Bonds (Tower Road Apartments), Series 2024 (the “*Bonds*”), issuable under the Trust Indenture dated as of October 1, 2024 (the “*Indenture*”), between the Issuer and the Trustee, in an initial aggregate principal amount of \$60,815,000 and used for the purpose of financing a loan (the “*Loan*”) to be made to Manor Leased Housing Associates I, Limited Partnership, a Texas limited partnership (the “*Borrower*”). The Loan will be used by the Borrower to pay a portion of the costs of acquiring, constructing, equipping and improving the Project, as defined in the Indenture, and as further described in the Loan Agreement dated as of even date with the Indenture (the “*Loan Agreement*”), between the Issuer and the Borrower. The Bonds are special limited obligations of the Issuer, issued or to be issued under and are to be secured and entitled equally and ratably to the protection given by the Indenture. The Bonds are issued pursuant to, under authority of and in compliance with Texas Local Government Code, Chapter 303, as amended, (the “*Act*”), and a resolution duly enacted by the Board of Directors (the “*Governing Body*”) of the Issuer. Any term used herein but not otherwise defined shall have the meaning ascribed to such term in the Indenture.

The Bonds are subject to redemption and mandatory tender prior to their maturity as follows:

- (a) *Optional and Mandatory Redemption.* The Bonds are subject to optional and mandatory redemption as provided in the Indenture.

(b) *Mandatory Tender.* The Unredeemed Bonds are subject to mandatory tender on each Mandatory Tender Date. Holders will not have the right to elect to retain their Unredeemed Bonds, and any such Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date. Upon presentation and surrender of Unredeemed Bonds by a Holder on the date fixed for tender, such Holder shall be paid the Purchase Price of such Bonds. Accrued interest on such Bonds shall be paid separately on such Mandatory Tender Date, which is an Interest Payment Date, in the usual manner.

Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Holders of the Bonds, and the terms and conditions upon which the Bonds are issued and secured. Each Holder assents, by its acceptance hereof, to all of the provisions of the Indenture.

The Borrower is required by the Loan Agreement to cause the Lender (as defined in the Indenture) to make on its behalf Collateral Payments (as defined in the Indenture) to the Trustee in the amounts and at the times necessary to pay the principal of and interest (the “*Bond Service Charges*”) on the Bonds. In the Indenture, the Issuer has assigned to the Trustee, to provide for the payment of the Bond Service Charges on the Bonds, the Issuer’s right, title and interest in and to the Loan Agreement, except for Reserved Rights as defined in the Indenture. To secure its compliance with certain covenants in the Loan Agreement and in the Tax Exemption Certificate and Agreement dated [October 25], 2024 (the “*Tax Exemption Agreement*”), between the Issuer and the Borrower, the Borrower has executed and delivered the Regulatory Agreement and Declaration of Restrictive Covenants dated as of October 1, 2024 (the “*Tax Regulatory Agreement*”), among the Issuer, the Borrower and the Trustee.

Copies of the Indenture, the Loan Agreement, the Tax Exemption Agreement and the Tax Regulatory Agreement are on file in the designated corporate trust office of the Trustee.

The Bond Service Charges on the Bonds are payable solely from the Trust Estate, as defined and as provided in the Indenture (being, generally, the amounts payable under the Loan Agreement and the Note in repayment of the Loan, amounts on deposit in the Bond Fund, amounts received as Collateral Payments (as defined in the Indenture) required to be received by the Trustee as a condition to, and in the amount of, the disbursement of amounts on deposit in the Project Fund, and any unexpended proceeds of the Bonds), and are an obligation of the Issuer only to the extent of the Trust Estate. The Bonds are not secured by an obligation or pledge of any money raised by taxation and do not represent or constitute a debt or pledge of the faith and credit of the Issuer.

Notwithstanding any other provision of the Indenture to the contrary, the Issuer shall be obligated to pay the principal of, premium, if any, and interest on, this Bond solely out of the Trust Estate. This Bond shall be a special limited obligation of the Issuer payable solely from the Trust Estate. This Bond shall constitute a valid claim of the respective owners thereof against the security, which is pledged to secure the payment of the principal of, premium, if any, and interest on this Bond and which shall be utilized for no other purpose, except as expressly authorized in

this Indenture. This Bond shall never constitute an indebtedness or general obligation of the Issuer, the State of Texas, the Sponsor, or any other political subdivision of the State of Texas, within the meaning of any constitutional provision or statutory limitation whatsoever. Neither the faith and credit nor the taxing power of the State of Texas, the Sponsor, or any other political subdivision of the State of Texas is pledged to the payment of the principal of this Bond or the interest or any premium thereon or other costs incident thereto. Neither the members of the Board of Directors of the Issuer nor any person executing Bonds shall be liable personally on this Bond by reason of the issuance thereof. The Issuer has no taxing power.

No member, director, officer, agent, employee or attorney of the Issuer, including any person executing the Indenture or the Bonds, shall be liable personally on the Bonds or for any reason relating to the issuance of the Bonds. No recourse shall be had for the payment of the principal of or the interest on the Bonds, or for any claim based on the Bonds, or otherwise in respect of the Bonds, or based on or in respect of the Indenture or any Supplemental Indenture, against any member, director, officer, employee or agent, as such, of the Issuer or any successor, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance of this Bond and as part of the consideration for the issuance of the Bonds, expressly waived and released.

The Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("*DTC*"), which shall be considered to be the Holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of Bond Service Charges, and receipt of notices to, giving of consents by and exercise of rights of, Holders. There shall be a single Bond representing each maturity, and all Bonds shall be immobilized in the custody of DTC or its custodian with the owners of beneficial interests in those Bonds (the "*Book-Entry interests*") having no right to receive from the Issuer Bonds in the form of physical securities or certificates. Ownership of Book-Entry interests in the Bonds shall be shown by book-entry on the system maintained and operated by DTC, its participants (the "*Participants*") and certain persons acting through the Participants, and transfers of ownership of Book-Entry interests shall be made only by that Book-Entry System, the Issuer and the Trustee having no responsibility therefor. DTC is to maintain records of the positions of Participants in the Bonds, and the Participants and persons acting through Participants are to maintain records of the purchasers and owners of Book-Entry interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository (as defined in the Indenture) or to another nominee of a Depository, without further action by the Issuer and otherwise at the expense of the Borrower.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a Book-Entry System, the Issuer may attempt to have established a securities depository/Book-Entry System relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the owners of Book-Entry interests by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form (in denominations of \$5,000, or any integral multiple of \$1,000 in excess thereof) to the assignees of the Depository or its nominee, all at the cost and expense

(including costs of printing or otherwise preparing and delivering replacement Bond certificates) of those Persons requesting such authentication and delivery, if the event is not the result of Issuer action or inaction (including action at the request of the Borrower).

The Indenture permits certain amendments or supplements to the Indenture, the Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement and the Note not prejudicial to the Holders to be made without the consent of or notice to the Holders, and certain other amendments or supplements thereto to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The Holder of each Bond has only those remedies provided in the Indenture.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened (a) precedent to and in the issuing of the Bonds in order to make them legal, valid and binding special limited obligations of the Issuer, and (b) precedent to and in the execution and delivery of the Indenture and the Loan Agreement.

[Remainder of Page Intentionally Left Blank]

In Witness of the Above, the Issuer has caused this Bond to be to be executed and delivered by the manual or facsimile signature of its President and attested by the manual or facsimile signature of its Secretary as of the Dated Date set forth above.

Manor Housing Public Facility Corporation

By: _____
President

Attest:

By: _____
Secretary

Certificate of Authentication

This Bond is one of the Bonds described in the within-mentioned Indenture.

BOKF, NA

By: _____
Authorized Officer

Date of Authentication: _____, 2024

Assignment

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other guarantee program acceptable to the Registrar.

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Please insert social security number or other tax identification number of transferee

DTC FAST Rider

Each Bond shall remain in the Trustee's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Trustee and DTC.