
**HOUSING REVENUE BOND
GENERAL TRUST INDENTURE**

by and between

CONNECTICUT HOUSING FINANCE AUTHORITY

and

[_____]

as Trustee

Dated as of [_____], 2022

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**HOUSING REVENUE BOND
GENERAL TRUST INDENTURE**

THIS HOUSING REVENUE BOND GENERAL TRUST INDENTURE (as the same may be amended, modified or supplemented from time to time, this “General Indenture”) is made and entered into as of [_____], 2022, by and between the Connecticut Housing Finance Authority, a body corporate and politic and constituting a public instrumentality and political subdivision of the State of Connecticut (together with any successors and assigns and any surviving, resulting or transferee entity, the “Authority”), and [_____], a national banking association duly organized and validly existing under the laws of the United States of America, having a principal corporate trust office in [_____, _____], and authorized to accept and execute trusts of the character herein set out in the State of Connecticut, as trustee (together with any successors and assigns and any surviving, resulting or transferee entity, the “Trustee”).

RECITALS

WHEREAS, the Authority is duly created and existing pursuant to the laws of the State of Connecticut, including specifically the Connecticut Housing Finance Authority Act constituting Chapter 134 of the General Statutes of Connecticut, as amended (the “Act”), and the Authority is authorized to enter into this General Indenture and do or cause to be done all the acts and things herein provided or required to be done; and

WHEREAS, pursuant to a Resolution adopted [_____], 2022 (the “Resolution”), the Board authorized the execution and delivery of this General Indenture to provide flexible financing options for Loans (as defined therein), or guaranteed mortgage-backed securities directly or indirectly backed by pools of Loans, made to effectuate the purposes of the Authority as provided in the Act, through the issuance of Obligations (as defined herein) issued by the Authority; and

WHEREAS, the Authority desires to enter into this General Indenture to evidence the Authority’s authorization and approval of the issuance of Obligations, subject to the satisfaction of certain terms, conditions, restrictions and covenants contained in this General Indenture, and the security for the payment of such Obligations, provided that in no case shall any moneys or assets then subject to the pledge of the General Housing Bond Resolution (as defined herein) be pledged as security for the payment of the Obligations; and

WHEREAS, the execution and delivery of this General Indenture, subject to the terms hereof, have in all respects been duly authorized by the Authority;

WHEREAS, the Trustee has trust powers and the power and authority to enter into this General Indenture, to accept trusts generally and to accept and execute the trust created by this General Indenture; the Trustee has accepted the trust so created and, to evidence such acceptance, has joined in the execution of this General Indenture;

NOW, THEREFORE, THIS GENERAL INDENTURE WITNESSETH:

GRANTING CLAUSES

The Authority, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Obligations (as hereinafter defined) to be issued hereunder from time to time by the holders and owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Obligations or any Series thereof and other obligations secured hereunder according to their tenor and effect as provided in the Supplemental Indenture authorizing the same, and the performance and observance by the Authority of all the covenants expressed or implied herein and in the Obligations, does hereby grant, bargain, sell, convey, pledge and assign a security interest, unto the Trustee, and its successors in trust and its and their assigns in and to the following property (said property being herein referred to as the "Trust Estate") as may be further provided in the Supplemental Indenture pursuant to which such Obligations are issued, for the securing of the performance of the obligations of the Authority hereinafter set forth and, (i) with respect to Parity Obligations which are equally secured (some Parity Obligations may be separately secured from other Parity Obligations as specified in the Supplemental Indenture authorizing the same), for the equal benefit, protection and security of the holders of all such equally secured Parity Obligations, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any equally secured Parity Obligation over any other except as expressly provided or permitted herein or in a Supplemental Indenture; and (ii) with respect to Non-Parity Obligations, for the equal benefit, protection and security of the Holders of any Non-Parity Obligations, all of which, without regard to the time or times of their effective date, shall be of equal rank without preference, priority or distinction of any Non-Parity Obligation over any other thereof, except as expressly provided in or permitted hereby or in a Supplemental Indenture and provided that Non-Parity Obligations need not be of equal rank with other Non-Parity Obligations, may be subordinate to Parity Obligations and other Non-Parity Obligations, and shall be entitled to the preferences and priorities provided in the Supplemental Indenture authorizing the issuance of Non-Parity Obligations, all of the foregoing in accordance with the terms hereof, to wit:

GRANTING CLAUSE FIRST

All right, title and interest of the Authority in and to all Revenues pledged pursuant to a Supplemental Indenture.

GRANTING CLAUSE SECOND

Except as otherwise provided in a Supplemental Indenture with respect to a Series of Obligations, all right, title and interest of the Authority in and to each Loan made with the related Series of Obligations including the related Loan Agreement, Note, Mortgage and/or Credit Enhancement or any Mortgage-Backed Securities (other than any reserved rights of the Authority), including all extensions and renewals of the terms thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to receive, receipt for, collect or make claim for any of the money, income, revenues, issues, profits and other amounts payable or receivable thereunder, whether payable under the above referenced documents or otherwise, to

bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Authority or any other Person is or may become entitled to do under said documents.

GRANTING CLAUSE THIRD

All right, title and interest of the Authority (other than any reserved rights of the Authority) in and to all moneys and securities (including investments thereof and earnings thereon), including Obligation proceeds (other than proceeds deposited in trust for the retirement of any outstanding Obligations) held in the Funds and Accounts (or any subaccounts thereof) that are pledged pursuant to the terms of a Supplemental Indenture with respect to a Series of Obligations (excluding amounts in the Rebate Fund or Surplus Fund) and all proceeds, substitutions, renewals and replacements of the foregoing.

GRANTING CLAUSE FOURTH

All right, title and interest of the Authority in any other assets from time to time held by the Trustee under and subject to the terms of this General Indenture or pledged pursuant to any Supplemental Indenture with respect to a Series of Obligations and all proceeds, substitutions, renewals or replacements of the foregoing.

TO HAVE AND TO HOLD, all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee and its successors in said trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit and security of all present and future owners of all Obligations of the related Series without preference of any Obligation over any other Obligation of such Series or any other creditor secured hereunder, except as otherwise provided herein or in a Supplemental Indenture, and for enforcement of the payment of the Obligations of such Series or any other creditors secured hereunder in accordance with their terms, and all other sums payable hereunder or on the Obligations of such Series and for the performance of and compliance with the obligations, covenants and conditions of this General Indenture, as if all the Obligations of such Series at any time outstanding had been authenticated, executed and delivered simultaneously with the execution and delivery of this General Indenture, all as herein set forth;

PROVIDED, HOWEVER, that if Authority, its successors or assigns shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Obligations of the related Series or any other obligations due or to become due thereon, at the times and in the manner mentioned in such Obligations or such other obligations according to the true intent and meaning thereof, and shall cause the payments to be made as required under Article XII hereof or as provided in any related Supplemental Indenture, or shall provide, as permitted hereby or as provided in any related Supplemental Indenture, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this General Indenture and each and every Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due in accordance with the

terms and provisions hereof and each and every Supplemental Indenture, then upon such final payments this General Indenture and each and every Supplemental Indenture and the rights hereby and thereby granted shall cease, terminate and be void with respect to such Obligations; otherwise this General Indenture and each and every Supplemental Indenture to be and remain in full force and effect;

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. In this General Indenture, unless the context otherwise requires, the following words and terms shall have the following meanings:

“*Account*” means one of the accounts created and established pursuant to this General Indenture or a Supplemental Indenture.

“*Act*” has the meaning given to such term in the recitals to this General Indenture.

“*Authority*” has the meaning given to such term in the preamble to this General Indenture.

“*Authority Purposes*” means any purposes for which the Authority may issue Obligations pursuant to the Act or other applicable law.

“*Authorized Officer*” means the Chair or Vice Chair of the Board, the Executive Director or the Chief Financial Officer and his/her designees, and, in the case of any act to be performed or duty to be discharged, any other member, officer or employee duly authorized by the Act, Procedures, Resolution of the Board or bylaws of the Authority to perform the act or sign the document in question.

“*Beneficial Owner*” means a person who is the actual purchaser of an Obligation and for whom, in the case of tax-exempt Obligations, the interest income earned on such Obligations is excludable from gross income for Federal income tax purposes.

“*Board*” means the Board of Directors of the Authority.

“*Bond Counsel*” means an attorney or firm of attorneys in the field of law relating to municipal, state and public authority financing, appointed by the Board in accordance with the Act and the Procedures.

“*Bond Counsel’s Opinion*” means an opinion signed by Bond Counsel.

“*Business Day*” means a day of the year (A) which is not a Saturday or Sunday or any other day on which banks located in the State and banks located in the city in which the principal corporate trust office of the Trustee is located or any Credit Enhancer are required or authorized by law to remain closed, (B) on which the Authority or the State is not closed, (C) on which The New York Stock Exchange is not closed, or (D) so long as any Series of Obligations is held in book-entry form, a day on which The Depository Trust Company or any successor or assign is closed.

“*Cash Flow Certificate*” means a Certificate of an Authorized Officer giving effect to the action proposed to be taken and demonstrating in the current and each succeeding Obligation Year in which Obligations of each related Series are scheduled to be Outstanding that amounts then expected to be deposited in the Funds and Accounts in each such Obligation Year with respect to such Series (and any Series equally secured) will be at least equal to all amounts required by this General Indenture to be on deposit in the Funds and Accounts for the payment of the principal and Redemption Price of and interest on the Obligations of each Series and for the funding of the Debt Service Reserve Fund to the Debt Service Reserve Requirement, except that, to the extent specified in a Supplemental Indenture, a Fund or Account established in said Supplemental Indenture shall not be taken into account when preparing such Cash Flow Certificate. The Cash Flow Certificate shall set forth the assumptions upon which the estimates therein are based, which assumptions shall be based upon the Authority’s reasonable expectations at the time such Certificate is filed. Upon filing a Cash Flow Certificate with the Trustee, the Authority shall thereafter perform its obligations hereunder in accordance, in all material respects, with the assumptions set forth in such Cash Flow Certificate. Except with respect to actions being taken contemporaneously with the delivery of a Cash Flow Certificate, facts reflected in a Cash Flow Certificate may be as of a date or reasonably adjusted to a date not more than 180 days prior to the date of delivery of such statement.

“*Certificate*” means a document signed by an Authorized Officer either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to this General Indenture.

“*Code*” means the Internal Revenue Code of 1986, as amended from time to time, and as applicable to the Obligations.

“*Costs of Issuance*” means all items of expense, directly or indirectly payable or reimbursable by or to the Authority and related to the authorization, sale and issuance of Obligations, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Obligations, and any other cost, charge or fee in connection with the original issuance of Obligations and the making, purchasing, acquiring or financing of Loans (including initial premiums on any mortgage insurance) or Mortgage-Backed Securities.

“*Credit Enhancement*” means (a) a letter of credit, insurance agreement, guaranty or other form of credit enhancement for a Loan or a Mortgage-Backed Security or (b) a letter of credit, insurance agreement, guaranty or other form of credit enhancement for an Obligation, as may be provided in a Supplemental Indenture.

“*Credit Enhancer*” means the issuer of or obligor under a Credit Enhancement.

“*Debt Service*” with respect to any particular Series of Obligations has the meaning set forth in the applicable Supplemental Indenture.

“Debt Service Reserve Fund” means the Debt Service Reserve Fund established pursuant to this General Indenture, and the applicable Account therein established by the Supplemental Indenture for any Series of Obligations.

“Debt Service Reserve Requirement” means as of any date of calculation, the aggregate of the amounts specified as the Debt Service Reserve Requirement for each Series of Obligations in the Supplemental Indenture authorizing the issuance of such Series of Obligations; provided, however, that a Supplemental Indenture may provide that the Debt Service Reserve Requirement for the Series of Obligations authorized thereunder may be funded, in whole or in part, through Credit Enhancement or Investment Securities and such method of funding shall be deemed to satisfy all provisions of this General Indenture with respect to the Debt Service Reserve Requirement and the amounts required to be on deposit in the Debt Service Reserve Fund.

“Defeasance Verifier’s Report” means an opinion signed by a reputable and experienced independent public accountant or firm of public accountants (who may be the public accountant or firm of public accountants who regularly audit the books and accounts of the Authority), or any nationally recognized reputable and experienced firm which routinely prepares cash flow computations for mortgage revenue bonds acceptable to the Rating Agencies, selected from time to time by the Authority and satisfactory to the Trustee.

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

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

“Fannie Mae” means the Federal National Mortgage Association and any successor thereto.

“FHA” means the Federal Housing Administration of the United States Department of Housing and Urban Development or other authority or instrumentality created or chartered by the United States to which the powers of the Federal Housing Administration have been transferred.

“Fiduciary or Fiduciaries” means the Trustee or any Paying Agent, or any or all of them, as may be appropriate.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation and any successor thereto.

“Funds” means the funds established pursuant to this General Indenture or any Supplemental Indenture.

“General Housing Bond Resolution” means the General Housing Mortgage Finance Program Bond Resolution adopted by the Authority on September 27, 1972, as amended and supplemented.

“*General Indenture*” has the meaning given to such term in the preamble hereof.

“*GNMA*” means the Government National Mortgage Association and any successor thereto.

“*Government Obligations*” means direct obligations of or obligations guaranteed by the United States of America, including, but not limited to, Treasury Obligations, Separate Trading of Registered Interest and Principal of Securities (STRIPS) and Coupons Under Book-Entry Safekeeping (CUBES), provided the underlying Treasury Obligation is not callable prior to maturity.

“*GSE*” means, individually or collectively as the context may require, Fannie Mae, Freddie Mac or any successor thereto.

“*Hedge Agreement*” means a payment exchange agreement, swap agreement, forward purchase agreement or any other hedge agreement entered into by the Authority providing for payments between the parties based on levels of, or changes in, interest rates or other indices or contracts to exchange cash flows or a series of payments or contracts, including, without limitation, interest rate floors, caps, options, puts or calls, which allows the Authority to manage or hedge payment, rate, spread or similar risk with respect to all or a portion of any Series of Obligations or any assets pledged under this General Indenture or any Supplemental Indenture.

“*Hedge Agreement Provider*” shall mean a financial institution providing a Hedge Agreement with respect to a Series of Obligations pursuant to the terms of the Supplemental Indenture authorizing the issuance of such Series of Obligations.

“*Housing*” means a work or undertaking having as its primary purpose the provision of safe and adequate housing as authorized by the Act.

“*Information Depository*” means the Municipal Securities Rulemaking Board, the current required method of filing of which is electronically via its Electronic Municipal Market Access (EMMA) system available on the internet at <http://emma.msrb.org>, or any similar or successor entity approved by the United States Securities and Exchange Commission as a depository for information about municipal securities, as designated by the Authority from time to time.

“*Interest Payment Date*” means any date upon which interest on a Series of Obligations is due and payable in accordance with their terms and the terms of the applicable Supplemental Indenture or in accordance with a Swap (or, if such date is not a Business Day, the immediately succeeding Business Day).

“*Investment Securities*” means and includes any of the following obligations, to the extent the same are at the time legal for investment of funds of the Authority under the Act for the particular purpose for which such funds are held, including any amendments thereto hereafter made:

- (1) Government Obligations;

(2) obligations, debentures, participation certificates, notes or other obligations issued or unconditionally guaranteed by any of the following: Federal Home Loan Banks, Farm Credit System (including the Bank for Cooperatives, Federal Land Banks, Federal Farm Credit Banks and Federal Intermediate Credit Banks), Fannie Mae, Farmer's Home Administration (or its successor, the Rural Housing and Community Development Service), Freddie Mac, GNMA, Small Business Administration, Indenture Funding Corporation (REFCORP), or any other Federal agency or instrumentality backed by the full faith and credit of the United States of America;

(3) deposits in interest-bearing time or demand deposits, or certificates of deposit, secured by obligations described in clause (1) or (2) above or fully insured by the Federal Deposit Insurance Corporation or its successor;

(4) money market funds with a rating in the highest category of the Rating Agency;

(5) unsecured certificates of deposit, time deposits, banker's acceptances, repurchase agreements and commercial paper having maturities of not more than 365 days provided that such obligations are rated in the highest short term rating category of the Rating Agency which has rated the Obligations secured by such obligations;

(6) Stripped Securities: principal-only strips and interest-only strips of noncallable obligations issued by the Treasury, and REFCORP securities stripped by the Federal Reserve Bank of New York;

(7) Direct and general obligations of or obligations guaranteed by the State of Connecticut, to the payment of the principal of and interest on which the full faith and credit of the State is pledged, including any investment of the Authority or financial guarantee purchased by the Authority that both (i) has a rating equal to or better than that of the State and for which, pursuant to Section 8-258(f) of the General Statutes of Connecticut, the State has issued a collateralized direct guarantee of the State of the punctual payment of such investment or financial guarantee from the general fund of the State and carrying the full faith and credit pledge of the State and (ii) does not result in a reduction of any rating of the Authority's Obligations which are secured by such obligations;

(8) Participation certificates for the combined investment pool administered by the State Treasurer pursuant to Section 3-27a of the General Statutes of Connecticut;

(9) guaranteed investment contracts or similar deposit agreements with insurance companies, banks or other financial institutions, provided the ratings on general unsecured obligations of such an institution are not lower than one notch below the Rating Agency's rating on the Obligations to be secured by such guaranteed investment contracts or similar deposit agreements; and

(10) Obligations issued under this General Indenture which are secured by the funds to be so invested.

Provided that it is expressly understood that the definition of Investment Securities shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to this General Indenture, thus permitting investments with different characteristics from those permitted hereby which an Authorized Officer deems from time to time to be in the interest of the Authority to include as Investment Securities, as reflected in a Certificate or in a Supplemental Indenture, if at the time of inclusion such inclusion will not, in and of itself, adversely affect the then existing ratings on the Obligations assigned to them by the Rating Agency and which Obligations are secured by such permitted investments.

“*Lender*” means any person approved by the Authority for participation in the Program who shall finance Loans (whether secured by a Mortgage or otherwise) or Loans underlying Mortgage-Backed Securities and/or sell Loans (whether secured by a Mortgage or otherwise) or Mortgage-Backed Securities to the Authority in connection with the issuance of Obligations hereunder.

“*Loan Agreement*” means a loan agreement or financing agreement between the Authority and a qualified borrower with respect to a Loan, as specified in the related Supplemental Indenture.

“*Loans*” means (i) multifamily loans insured by FHA, including, but not limited to, loans under the Risk-Sharing Program and loans insured under Section 220, 221(d)(3), 221(d)(4), or 223(f) of the National Housing Act of 1934, as amended, (ii) multifamily or single family loans guaranteed by GNMA or any GSE, (iii) participations by the Authority with another party or parties, public or private, in the foregoing and (iv) such other loans authorized by a Supplemental Indenture which the Authority is authorized to finance under the Act. Loans may be, but are not required to be, secured by a Mortgage, to the extent authorized by the Act or other applicable law.

“*Maximum Rate*” means the maximum interest rate that may be paid on the Obligations under the laws of the State.

“*Mortgage*” means a mortgage, deed of trust, assignment of rents, security agreement or other instrument (or combination thereof) securing a Loan.

“*Mortgage-Backed Security*” means (A) a mortgage pass through security issued by or guaranteed as to timely payment of principal and interest by GNMA, Fannie Mae, Freddie Mac or, to the extent set forth in a Supplemental Indenture, any other authority or instrumentality of or chartered by the United States to which the powers of GNMA, Fannie Mae or Freddie Mac have been transferred or which have similar powers, or (B) such other security which is specified in a Supplemental Indenture, and backed directly or indirectly by loans the Authority is authorized to finance under the Act, the purchase of which will not adversely affect the rating by the Rating Agency on the Obligations to be secured by such other security backed by loans as in effect on the date of acquisition of such Mortgage-Backed Security by the Trustee.

“*Mortgagor*” means a borrower who delivers a Mortgage to secure a Loan.

“*Non-Parity Obligations*” means Obligations authorized under this General Indenture and issued pursuant to Section 2.8 hereof. Each Non-Parity Obligation shall be payable from Revenues either separate and distinct from or subordinate to the payments made with respect to the Parity Obligations, and, as provided in Section 2.8 hereof, shall be secured by a lien on and a pledge of

Revenues separate and distinct from or junior and inferior to the lien on and pledge of the Revenues for the payment of Parity Obligations, all as set forth herein.

“*Note*” means a promissory note evidencing the obligation to repay a Loan, as specified in the related Supplemental Indenture.

“*Obligations*” means bonds, notes, debentures, interim certificates or other evidences of financial indebtedness of the Authority authorized to be issued under the Act, which shall be issued as Parity Obligations, Non-Parity Obligations, or any combination thereof.

“*Obligation Year*” means, for purposes of calculating rebate, such period as shall be identified in a Supplemental Indenture or such other document executed by the Authority.

“*Opinion of Counsel*” means an opinion of an attorney retained by the Authority to render an opinion required under this General Indenture (including a Bond Counsel’s Opinion) or an opinion of an attorney that is a full-time employee of the Authority and duly appointed as the general counsel of the Authority.

“*Outstanding,*” when used with reference to Obligations, means, as of any date, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, all Obligations theretofore or thereupon being authenticated and delivered under this General Indenture except:

- (1) any Obligation cancelled by the Trustee or Authority or delivered to the Trustee or Authority for cancellation at or prior to such date;
- (2) any Obligation in lieu of or in substitution for which other Obligations shall have been authenticated and delivered pursuant to Article III, Section 6.6 or Section 9.6; and
- (3) any Obligation (or portion of an Obligation) for the payment of which there have been separately set aside sufficient monies or investment securities, or any Obligation (or portion of an Obligation) deemed to have been paid, as provided in subsection (B) of Section 12.1.

“*Owner*” or “*Holder*” or words of similar import, when used with reference to an Obligation, means any person who shall be the registered owner of any Outstanding Obligation.

“*Parity Obligations*” means Obligations of more than one Series which have an equal first priority pledge of, lien on, and security interest in, the Trust Estate created hereby to secure all such Obligations as specified in and so designated in the Supplemental Indenture authorizing the issuance thereof. One or more Series of Parity Obligations may be separately secured from one or more Series of other Parity Obligations, as provided in the Supplemental Indentures securing the same.

“*Paying Agent*” shall mean any bank or trust company designated as paying agent for the Obligations of any Series, and its successor or successors hereafter appointed in the manner provided in this General Indenture.

“*Person*” means any natural individual, corporation, partnership, trust, unincorporated association, business or other legal entity, and any government or governmental agency or political subdivision thereof.

“*Pledged Receipts*” means, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, (i) the scheduled or other payments required by any Loan or Mortgage-Backed Security financed by Obligations and paid to or to be paid to the Authority from any source relating to such Loans, Mortgage-Backed Securities or Obligations, including, but not limited to, Recoveries of Principal, interest, rents and government subsidy payments, and including both timely and delinquent payments, (ii) accrued interest received at the sale of Obligations and (iii) all income earned or gain realized in excess of losses suffered on any investment or deposit of monies in the Funds and Accounts established and maintained pursuant to this General Indenture or a Supplemental Indenture, or monies provided by the Authority and held in trust for the benefit of the Owners pursuant to this General Indenture, but, unless otherwise provided in a Supplemental Indenture, shall not mean or include amounts required to be deposited into the Rebate Fund, the Surplus Fund or any other Fund or Account which is not held in trust for the benefit of the Owners pursuant to this General Indenture or a Supplemental Indenture, any payments with respect to any Loan or Mortgage-Backed Securities received prior to the date that Revenues therefrom are pledged under this General Indenture, Escrow Payments, late charges, administrative fees, if any, of the Authority, any amount retained by the servicer (which may include the Authority) of any Loan, as financing, servicing, extension or settlement fees, or any amount received by the Authority upon a sale of the servicing rights with respect to the Loans. Pledged Receipts do not include any money or assets then pledged under the General Housing Bond Resolution.

“*Principal*” or “*principal*” means the principal amount at maturity of any Obligation, or such amount as may be specified in a Supplemental Indenture with respect to Obligations with deferred interest payable thereon or which are sold at a deep discount and which accretes to a final maturity amount.

“*Principal Installment*” means, as of any particular date of computation, (i) the aggregate principal amount of Outstanding Obligations due on a certain future date, reduced by the aggregate principal amount of such Obligations which would be retired by reason of the payment when due and application in accordance with this General Indenture of Sinking Fund Payments payable before such future date plus (ii) the unsatisfied balance, determined as provided in subsection (D) of Section 5.4, of any Sinking Fund Payments due on such certain future date.

“*Procedures*” means the written procedures of the Authority adopted in accordance with the Act, as adopted from time to time.

“*Proceeds Fund*” means the Proceeds Fund established pursuant to this General Indenture.

“*Program*” means, collectively, the Authority’s programs pursuant to which the Authority will issue and/or deliver the Obligations and apply the proceeds thereof to finance Loans, itself or through Lenders, including through the making or purchase of Loans or Mortgage-Backed Securities, or the participation by the Authority, either with itself or with others, in the making or purchase of Loans or Mortgage-Backed Securities or the permanent financing of a Loan or

Mortgage-Backed Security, which has been temporarily financed by the Authority through the issuance of notes or other obligations or otherwise.

“Program Expenses” means all the Authority’s expenses of administering financings under this General Indenture and shall include without limiting the generality of the foregoing: salaries, supplies, utilities, labor, materials, office rent, maintenance, furnishings, equipment, machinery and apparatus; insurance premiums, legal, accounting, management, consulting and banking services and expenses; the fees and expenses of the Trustee; fees due to Credit Enhancers, fees due to the entities providing Investment Securities with respect to the Funds and Accounts or any arrangements or agreements with respect thereto, Costs of Issuance not paid from proceeds of Obligations; Rebate Amounts; and any other expenses required or permitted to be paid by the Authority under the provisions of this General Indenture and any Supplemental Indenture all to the extent properly allocable to the financings hereunder.

“Project” means any undertaking to plan, develop, acquire, construct or rehabilitate one or more dwelling units located in the State which meets the requirements of the Act. Such undertaking may include, but is not limited to any building, land, equipment, facilities or other real or personal property which are necessary, convenient or desirable appurtenances, streets, sewers, utilities, parks, site preparation or landscaping; and other non-housing facilities, such as offices, stores, commercial facilities, community, medical, educational, social, health, recreational, and welfare facilities, which are reasonably related to and subordinate to the Project, as determined to be necessary, convenient or desirable by the Authority, and as further described in a Supplemental Indenture. Any facility which incorporates the residence and care of persons with special needs, including but not limited to the aged, youth, students, homeless, persons with disabilities, persons requiring health and medical care, shall be deemed a Project.

“Qualified Hedge Agreement” has the meaning given to such term in Section 5.9.

“Rating Agency” means, individually or collectively, (i) S&P Global Ratings or any successor thereto (“S&P”) when the Obligations are rated by S&P pursuant to a request for a rating by the Authority, (ii) Moody’s Investors Service Inc. or any successor thereto (“Moody’s”) when the Obligations are rated by Moody’s pursuant to a request for a rating by the Authority, (iii) Fitch Ratings or any successor thereto (“Fitch”) when the Obligations are rated by Fitch pursuant to a request for a rating by the Authority, or (iv) Kroll Bond Rating Agency, Inc. or any successor thereto (“Kroll”) when the Obligations are rated by Kroll pursuant to a request for a rating by the Authority, or if none of S&P, Moody’s, Fitch or Kroll is maintaining a rating on the Obligations, then any other nationally recognized rating agency when the Obligations are rated by such agency, pursuant to a request for a rating by the Authority.

“Rating Confirmation” means a confirmation, in writing from the Rating Agency, that the action being taken, which is the subject of such Rating Confirmation, will not adversely affect the then existing ratings of any similarly secured Series of Obligations Outstanding.

“Rebate Amount” means, with respect to a particular Series of Obligations, the amount, if any, required to be deposited in the Rebate Fund in order to comply with the covenants contained in Section 5.8.

“*Rebate Fund*” means the Rebate Fund established pursuant to Section 5.8.

“*Record Date*” means, with respect to the payment of interest on a Series of Obligations, the date or dates specified in the applicable Supplemental Indenture. If no such date is specified in the applicable Supplemental Indenture, “*Record Date*” means, with respect to the payment of interest on a Series of Obligations, the fifteenth day of the calendar month next preceding the Interest Payment Date applicable to an Obligation.

“*Recoveries of Principal*” means, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, all amounts received by the Authority as a recovery of the principal amount disbursed by the Authority in connection with any Loan or Mortgage-Backed Security, including any premium or penalty with respect thereto, on account of (i) the advance payment of principal amounts to become due pursuant to such Loan, at the option of the Mortgagor, (ii) the advance payments of a Mortgage-Backed Security representing a prepayment of the principal of a mortgage loan made at the option of the mortgagor, (iii) the sale, assignment, endorsement or other disposition of any Loan or Mortgage-Backed Security, (iv) the acceleration of principal payments due under any Loan or mortgage loan underlying a Mortgage-Backed Security or other remedial proceedings taken in the event of the default thereon, (v) proceeds of any insurance award resulting from the damage or destruction of a Project which is required to be applied to payment of the principal of a Note pursuant to the related Mortgage or to payment of the principal of a mortgage note pursuant to the related mortgage underlying a Mortgage-Backed Security, (vi) proceeds of any condemnation award resulting from the taking by condemnation (or by agreement of interested parties in lieu of condemnation) by any governmental body or by any person, firm, or corporation acting under governmental authority, of title to or any interest in or the temporary use of, a Project or any portion thereof, which proceeds are required to be applied to payment of the principal of a Note pursuant to the related Mortgage or to the payment of the principal of a mortgage note pursuant to the related mortgage underlying the Mortgage-Backed Security, and (vii) proceeds of any mortgage insurance or credit enhancement with respect to a Loan or mortgage loan underlying a Mortgage-Backed Security which is in default, and including but not limited to any payment made as a result of a purchase of a mortgage loan by the issuer of a security backed by such mortgage loan pursuant to the terms of such security.

“*Redemption Account*” means the Redemption Account established pursuant to this General Indenture and the applicable Supplemental Indenture.

“*Redemption Date*” means the date or dates upon which Obligations are to be called for redemption pursuant to the applicable Supplemental Indenture.

“*Redemption Price*” means, with respect to any Obligations, the amount required to fully redeem such Obligations, and may include principal, premium, accrued interest or any combination thereof, all as shall be specified in a Supplemental Indenture.

“*Refunding Obligations*” means Obligations of the Authority issued under this General Indenture to refund or refinance Obligations issued, executed and/or delivered under this General Indenture and/or other obligations of the Authority not issued, executed and/or delivered under this General Indenture.

“*Reserved Rights*” means certain rights of the Authority relating to a Series of Obligations that will not be assigned to the Trustee as specified in the related Supplemental Indenture.

“*Resolution*” has the meaning given to such term in the recitals to this General Indenture.

“*Revenue Fund*” means the Revenue Fund established pursuant to this General Indenture.

“*Revenues*” means the Pledged Receipts unless otherwise provided in a Supplemental Indenture with respect to a Series of Obligations, and do not include moneys or assets then pledged under the General Housing Bond Resolution.

“*Risk Sharing Program*” means the FHA Risk Sharing Program created pursuant to Section 542 of the Housing and Community Development Act of 1992, as implemented by the Authority’s Risk Sharing Agreement with HUD and the regulations, policies and procedures promulgated by HUD in connection therewith, as the same may be modified, amended or supplemented.

“*Serial Bonds*” means Obligations so designated in a Supplemental Indenture.

“*Series*” means, unless otherwise specified in a Supplemental Indenture, all of the Obligations authenticated and delivered on original issuance in a simultaneous transaction pursuant to a Supplemental Indenture whether issued as a “Series” or “Subseries” of the Obligations, and any Obligations thereafter delivered in lieu of or in substitution for such Obligations pursuant to the applicable Supplemental Indenture, regardless of variations in maturity, interest rate, Sinking Fund Payments or other provisions.

“*Servicer*” shall mean any person, corporation, mortgage company, bank, trust company, association, agency or the like other than the Authority who shall, by contract with the Authority, service any Loan.

“*Sinking Fund Payment*” means, with respect to a particular Series of Obligations, as of any particular date of calculation, the amount required to be paid at all events by the Authority on a single future date for the retirement of any particular Obligations of a Series in accordance with the applicable Supplemental Indenture prior to maturity.

“*SLGS*” means State and Local Government Series securities sold by the Treasury to states, municipalities and other local governments.

“*State*” means the State of Connecticut.

“*Subseries*” means a portion of a Series of Obligations as specified or provided for in the Supplemental Indenture authorizing the issuance of such Series of Obligations.

“*Supplemental Indenture*” means any trust indenture or other agreement supplemental to or amendatory of this General Indenture, entered into by the Authority and effective in accordance with Article IX providing for the issuance of one or more Series of Obligations to finance either a single Loan or Mortgage-Backed Security or multiple Loans or Mortgage-Backed Securities, provided that if multiple Series are issued pursuant to a single Supplemental Indenture which specifies that the terms of each Series are to be specified in one or more Certificates, each such

Certificate and such Supplemental Indenture shall be treated as part of such Supplemental Indenture with respect to such Series.

“*Surplus Fund*” means the Surplus Fund established pursuant to Section 5.1(A) hereof.

“*Term Bonds*” means Obligations so designated in a Supplemental Indenture or Obligations which, by their terms, are subject to payment prior to maturity by Sinking Fund Payment.

“*Treasury*” means the United States Department of the Treasury.

“*Treasury Obligations*” means debt obligations of the United States of America sold by the Treasury in the form of bills, notes and bonds (as well as SLGS sold to issuers of municipal securities) backed by the full faith and credit of the United States of America.

“*Trustee*” has the meaning given to such term in the preamble to this General Indenture. For purposes of a Supplemental Indenture, the Trustee may serve as a fiscal agent or in such other fiduciary role as may be required under such Supplemental Indenture.

“*Trust Estate*” means, with respect to any given Series of Obligations, the meaning given to that term in this General Indenture, or in the applicable Supplemental Indenture.

Section 1.2. Interpretation.

(A) In this General Indenture, unless the context otherwise requires:

(1) the terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this General Indenture, refer to this General Indenture, and the term “heretofore” means before, and the term “hereafter” means after, the date of adoption of this General Indenture;

(2) words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa;

(3) words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, companies and other legal entities, including public bodies, as well as natural persons;

(i) any headings preceding the texts of the several Articles and Sections of this General Indenture, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this General Indenture, nor shall they affect its meaning, construction or effect;

(4) if at any time there shall be one person who shall be the owner of all of the Outstanding Obligations and the consent of the Trustee shall be required under this General Indenture, such consent means the consent of such person,

unless such person shall have been notified and shall not have responded within a reasonable period of time;

(5) this General Indenture shall be governed by and construed in accordance with the applicable laws of the State;

(6) words importing the redemption or redeeming of an Obligation or the calling of an Obligation for redemption do not include or connote the payment of such Obligation at its stated maturity or the purchase of said Obligation;

(7) the verb “finance,” when used with reference to a Loan or Mortgage-Backed Security, shall be construed to include the making or purchase of such Loan or Mortgage-Backed Security or the participation by the Authority, either with itself or with others, in the making or purchase thereof or the permanent financing of a Loan or Mortgage-Backed Security which has been temporarily financed by the Authority through the issuance of notes or other obligations or otherwise;

(8) whenever in this General Indenture or a Supplemental Indenture the Authority is named or referred to, it shall and shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of, the Authority contained in this General Indenture or a Supplemental Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any director, officer, board, commission, authority, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Authority, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this General Indenture or a Supplemental Indenture;

(9) any monies, documents, securities, obligations or other items received by the Trustee pursuant to the terms of this General Indenture or a Supplemental Indenture shall be deemed to have been received by the Authority; and

(10) whenever notice is to be provided pursuant to this General Indenture or a Supplemental Indenture, notice by electronic or other means shall be deemed sufficient provision of notice in lieu of notice by telephone, mail or publication, if so authorized by the Trustee.

(B) Nothing in this General Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than the Authority, the Trustee and the Owners of the Obligations, any right, remedy or claim under or by reason of this General Indenture or any covenant, condition or stipulation hereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the Authority,

shall be for the sole and exclusive benefit of the Authority, the Trustee and the Owners of the Obligations.

(C) If any one or more of the covenants or agreements provided herein on the part of the Authority or the Trustee to be performed should be contrary to law, then such covenant or agreement shall be deemed separable from the remaining covenants and agreements hereof and shall in no way affect the validity of the other provisions of this General Indenture or of the Obligations.

(D) All references to Section numbers or Article numbers which do not specify the document to which such Section numbers or Article numbers relate shall be deemed to refer to Section numbers or Article numbers, as the case may be, contained in this General Indenture.

ARTICLE II

TERMS OF OBLIGATIONS

Section 2.1. Authorization for General Indenture, Series of Obligations and Supplemental Indentures. This General Indenture has been duly authorized by the Authority and the principal amount of Obligations that may be issued hereunder and under each Supplemental Indenture is not limited except as provided in the Act or otherwise by law. The Authority has ascertained and it is hereby determined and declared that the adoption of this General Indenture and the issuance of Obligations is necessary to provide sufficient funds for carrying out the Authority Purposes, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate the purposes of the Authority in accordance with the Act and other applicable law and to carry out powers expressly given in the Act and other applicable law, that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Obligations and that all such contracts or agreements are necessary, useful or convenient to carry out and effectuate the Authority Purposes.

Section 2.2. General Indenture and each Supplemental Indenture to Constitute Contract. In consideration of the purchase and acceptance of each Series of Obligations by those who shall own the same from time to time, the provisions of this General Indenture and each Supplemental Indenture shall be a part of the contract of the Authority with the owners of any Obligation of such Series and shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Owners from time to time of such Series of Obligations. The pledges and assignments made hereby and under each Supplemental Indenture and the provisions, covenants and agreements herein and in each Supplemental Indenture set forth to be performed by or on behalf of the Authority shall be for the benefit, protection and security of the Owners of any Obligations of such Series, each of which, regardless of the time of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other Obligation of such Series, unless otherwise provided herein and/or in a Supplemental Indenture.

Section 2.3. Security for Obligations; Limited Revenue Obligations.

(A) This General Indenture authorizes the issuance, execution and/or delivery of one or more Series of Obligations of the Authority pursuant to one or more Supplemental Indentures and hereby creates a continuing pledge and lien on the Revenues and assets pledged hereunder and under each Supplemental Indenture to secure the full and final payment of the principal and Redemption Price of and interest on each Series of Obligations, including any Sinking Fund Payments for the retirement thereof. The foregoing pledge does not include amounts on deposit in or required to be deposited in the Rebate Fund or, unless otherwise provided, the Surplus Fund.

(B) The Obligations issued hereunder do not constitute a general obligation of the Authority, but are payable solely from the revenues and assets pledged therefor pursuant to this General Indenture and each Supplemental Indenture; the Obligations are not otherwise a debt of the Authority and the Authority shall not be liable thereon. The Obligations shall contain on their face a statement to the effect that the Authority is not obligated to pay principal or interest on the Obligations except from the revenues or assets pledged and that neither the faith and credit nor the taxing power of the State or any political subdivision thereof is obligated or pledged to the payment of principal or interest on the Obligations. Unless otherwise provided in a Supplemental Indenture, payments or obligations of the Authority are payable only from the revenues or assets pledged hereunder. The Authority has no taxing power. To the fullest extent provided by the Act and other applicable laws, the money and property hereby pledged shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and such lien shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, irrespective of whether such parties have notice hereof.

(C) The Revenues and all amounts held in any Fund or Account other than the Rebate Fund, the Surplus Fund or such other Fund or Account specified in a Supplemental Indenture, including investments thereof, are hereby pledged to secure the payment of the Obligations (including the Sinking Fund Payments for the retirement thereof) in accordance with their terms and the provisions of this General Indenture and the applicable Supplemental Indenture, subject only to the provisions of this General Indenture and the applicable Supplemental Indenture permitting the use and application thereof for or to the purposes and on the terms and conditions set forth herein and in the applicable Supplemental Indenture. The Authority may, pursuant to a Supplemental Indenture authorizing the issuance of a Series of Obligations:

(1) pledge such Revenues and amounts to one or more Credit Enhancers who have provided Credit Enhancement to secure either Obligations or payments under Loans or Mortgage-Backed Securities financed by a Series of Obligations, as applicable, all as set forth in such Supplemental Indenture;

(2) provide that amounts in one or more Funds or Accounts established pursuant to such Supplemental Indenture be excluded from the pledge set forth in this paragraph (B) to secure the payment of the applicable Series of Obligations or

otherwise limit such pledge with respect to such Funds and Accounts, or accounts or subaccounts thereof;

(3) provide that a Series of Obligations issued under such Supplemental Indenture shall have a separate security which will not become an asset of or subject to the pledge of this General Indenture unless specifically permitted under such Supplemental Indenture; and

(4) provide such other requirements with respect to the security for and payment of any Series of Obligations issued pursuant to such Supplemental Indenture as shall be consistent with the requirements of this General Indenture.

Section 2.4. Authorization, Principal Amount and Purpose of Obligations. In order to provide sufficient funds for financing the Authority Purposes, Obligations of the Authority are hereby authorized to be issued without limitation as to amount except as may be provided by law. No Obligations shall be issued unless and until the conditions contained in Section 2.6 and, if applicable, Section 2.7 are satisfied.

Section 2.5. Issuance and Delivery of Obligations. After their authorization by the Authority, Obligations, including Refunding Obligations authorized pursuant to Section 2.7 hereof, may be executed by or on behalf of the Authority and delivered to the Trustee for authentication and, upon compliance by the Authority with the requirements of Section 2.6 hereof, the Trustee shall thereupon authenticate and deliver such Obligations to or upon the order of the Authority.

Section 2.6. Conditions Precedent to Delivery of Obligations.

(A) The Obligations shall be executed by the Authority for issuance and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Authority or upon its order, but only upon the receipt by the Trustee of:

(1) a copy of this General Indenture and a Supplemental Indenture authorizing such Obligations, certified by an Authorized Officer, which Supplemental Indenture shall specify:

(a) the authorized principal amount, title and Series designation of such Obligations, whether such Obligations are Term Bonds or Serial Bonds, a designation of such Obligations as Parity Obligations or Non-Parity Obligations, and the security for such Series of Obligations;

(b) the purposes for which such Obligations are being issued, which shall be limited to (i) financing of one or more Loans or the purchase of Mortgage-Backed Securities directly or indirectly backed by Loans, (ii) the making of deposits in the amounts, if any, required or permitted by this General Indenture or such Supplemental Indenture into the Funds and Accounts established hereunder or under such Supplemental Indenture, (iii) the refunding of Obligations or any other bonds, notes or other obligations

of the Authority or other entity, (iv) financing one or more other Authority Purposes, or (v) any combination of the foregoing;

(c) the dated dates and maturity dates of such Obligations, and the issue date of such Series;

(d) the interest rate or rates of such Obligations (or the manner of determining such rate or rates) and the Interest Payment Dates therefor;

(e) the title of, the denominations of, and the manner of dating, numbering and lettering, such Obligations;

(f) the Trustee and the places of payment of such Obligations or, subject to Article XI, the manner of appointing and designating the same;

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

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

(i) the amount of the Debt Service Reserve Requirement with respect to such Obligations, which amount may be zero;

(j) provisions concerning the forms of such Obligations, and of the Trustee's certificate of authentication;

(k) provisions concerning any Credit Enhancement to be provided in connection with such Obligations;

(l) provisions concerning the issuance of such Obligations in book-entry form, if applicable; and

(m) any other provisions deemed advisable by the Authority as shall not conflict with the provisions hereof.

Provided that the Supplemental Indenture may delegate to an Authorized Officer the authority to determine any or all of the foregoing in a Certificate and with such parameters or limitations as specified in such Supplemental Indenture, and in such case the Certificate shall also be delivered to the Trustee.

(2) an Opinion of Counsel to the effect that (i) this General Indenture and the related Supplemental Indenture have been executed by the Authority and are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms (except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency and other laws affecting creditors' rights and remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity

or at law)); (ii) this General Indenture and such Supplemental Indenture create the valid pledge and lien which they purport to create of and on the Revenues and all the Funds and Accounts established hereunder and under such Supplemental Indenture and moneys and securities on deposit therein, subject to the use and application thereof for or to the purposes and on the terms and conditions permitted by this General Indenture and such Supplemental Indenture; and (iii) upon the execution, authentication and delivery thereof, such Obligations will have been duly and validly authorized and issued in accordance with the laws of the State, including the Act as amended to the date of such Opinion, and in accordance with this General Indenture and such Supplemental Indenture;

(3) a written order as to the delivery of such Obligations and the amount of the proceeds of such Obligations to be deposited with the Trustee pursuant to Section 4.1, signed by an Authorized Officer;

(4) except in the case of a Refunding Issue, a certificate of an Authorized Officer of the Authority stating that the Authority is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in this General Indenture and the related Supplemental Indenture;

(5) if applicable, a Rating Confirmation; and

(6) such further documents and monies as are required by the provisions of Article VII hereof or any Supplemental Indenture.

Section 2.7. Refunding Obligations. Refunding Obligations of the Authority may be issued under and secured by this General Indenture and any Supplemental Indenture.

Refunding Obligations shall be designated, shall be in such denominations, shall be dated, shall bear interest, if any, at a rate or rates payable beginning on such date, shall be stated to mature on such date or dates and in such year or years, shall have such Interest Payment Dates, and shall be made redeemable at such times and prices, and shall be numbered, all as may be provided by the Supplemental Indenture for such Obligations. Pursuant to the Supplemental Indenture authorizing a Series of Refunding Obligations, Refunding Obligations within a Series shall be on a parity with and shall be entitled to the same benefit and security of this General Indenture and the related Supplemental Indenture as all other Refunding Obligations issued under this General Indenture and related Supplemental Indenture, provided, however, the Supplemental Indenture may provide for differences in the maturities thereof or the Interest Payment Dates or the rate or rates of interest or the provisions for redemption.

Before any Series of Refunding Obligations shall be authenticated and delivered by the Trustee, there shall be on file with the Trustee, the following:

(a) the documents specified in Section 2.6 hereof; and

(b) if all or part of the refunded Obligations are to be redeemed prior to maturity, instructions from an Authorized Officer, in form and substance required under

the documents governing the refunded Obligations, to the Trustee to redeem the applicable Obligations.

The proceeds of such Refunding Obligations shall, to the extent practicable, be invested and reinvested by the Trustee, at the direction of the Authority in Investment Securities or as otherwise provided in the applicable Supplemental Indenture, and the moneys so invested shall be available for use when required.

Section 2.8. Non-Parity Obligations. The Authority may from time to time issue and/or execute and deliver Non-Parity Obligations under this General Indenture on a non-parity or subordinated basis, subject to the conditions hereinafter provided in this Section. Payment of Non-Parity Obligations may be secured by the pledge of funds and accounts hereunder to the extent specified in the applicable Supplemental Indenture, either subordinate to or separate and distinct from the pledge securing Parity Obligations, and upon such terms and conditions set forth in the Supplemental Indenture authorizing such Non-Parity Obligations. Non-Parity Obligations may be payable from Revenues derived under this General Indenture, but only (A) after payment of all other amounts payable from Revenues pledged to the payment of Parity Obligations or (B) from Revenues held separate and distinct from Revenues pledged to the payment of Parity Obligations.

The Authority may establish one or more Non-Parity Obligation accounts or subaccounts within any Fund or Account created under this General Indenture for the following purposes:

(a) deposit, investment and custody of: (1) all or any portion of the proceeds of any Non-Parity Obligations, (2) all or any portion of any Revenues from any Loan or Mortgage-Backed Security financed with the proceeds of Non-Parity Obligations, (3) any other moneys received with respect to a such Loan or Mortgage-Backed Security, and (4) any Revenues pledged to payment of such Non-Parity Obligations (subject to any prior claims as provided in the applicable Supplemental Indenture); and

(b) payment of such Non-Parity Obligations.

The Supplemental Indenture authorizing Non-Parity Obligations may provide that such Non-Parity Obligations shall be secured solely by such proceeds or Revenues and not by any other moneys, funds or accounts held under this General Indenture, and that such proceeds or Revenues shall not constitute security for or a source of payment of any other Series of Obligations or other Non-Parity Obligations outstanding or thereafter issued under or entered into in accordance with this General Indenture. The Supplemental Indenture authorizing Non-Parity Obligations may establish different priorities of payment and security among different Non-Parity Obligations.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF OBLIGATIONS

Section 3.1. Medium of Payment, Denominations, Maturities, Form and Date.

(A) The Obligations shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(B) All Obligations shall be in such denominations as shall be established in the Supplemental Indenture authorizing the same.

(C) The principal of and interest on each Series of Obligations shall be due and payable on the date or dates set forth in the Supplemental Indenture authorizing the same.

(D) Obligations shall be issued in fully registered form, without coupons, substantially in the form set forth in the Supplemental Indenture authorizing such Obligations.

(E) Except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations,

(1) all Obligations shall bear interest from the later of (a) the date established with respect to such Obligations in the Supplemental Indenture pursuant to which such Obligations are issued, or (b) the most recent date to which interest has been paid in full. Obligations shall be dated the date of their authentication and delivery hereunder unless a different date is established in the Supplemental Indenture pursuant to which such Obligations are issued; and

(2) (a) the principal of any Obligation shall be payable when due to a Holder upon presentation and surrender, if applicable, of such Obligation at the designated corporate trust office of the Trustee or at the office, designated by the Trustee, of any Paying Agent; (b) the interest on any Obligation 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 Obligation is registered (if applicable) at the close of business on the Record Date applicable to that Interest Payment Date on the register of the Trustee at the address appearing therein; and (c) if and to the extent that the Authority shall fail to make payment or provision for payment of interest on any Obligation on any Interest Payment Date, that interest shall cease to be payable to the Person who was the Holder of that Obligation as of the applicable Record Date and in that event, when moneys become available for payment of the interest, (x) the Trustee shall establish a special record date (the "Special Record Date") for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (y) 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 of the Trustee not fewer than 10 days prior to the Special Record Date, and, thereafter, the interest shall be payable to the Persons who are the Holders of the Obligations at the close of business on the Special Record Date.

(F) Notwithstanding anything to the contrary contained herein, a Series of Obligations may be, but is not required to be, issued in book-entry form if so provided in the Supplemental Indenture authorizing such Series of Obligations, and the payment of such Series of Obligations shall be made in accordance with the procedures established or referred to in such Supplemental Indenture.

Section 3.2. Legends. In accordance with the Act, each Obligation issued pursuant to this General Indenture must contain on its face the statement described in Section 2.3(B) hereof. The Obligations may contain or have endorsed thereon such additional provisions, specifications and descriptive words not inconsistent with the provisions of this General Indenture as may be necessary or desirable to comply with applicable law, custom, or otherwise.

Section 3.3. Interchangeability of Obligations. Unless otherwise provided in a Supplemental Indenture, Obligations, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such owner's duly authorized attorney, may at the option of the registered owner thereof, and upon payment by such registered owner of any charges which the Trustee may make as provided in Section 3.6, be exchanged for an equal aggregate principal amount of fully registered Obligations of the same tenor, maturity and Series, of any of the authorized denominations.

Section 3.4. Negotiability, Transfer and Registry. All the Obligations issued under this General Indenture and any Supplemental Indenture shall be negotiable subject to the provisions for registration, transfer and exchange contained in this General Indenture, the Supplemental Indenture for such Obligations and in the Obligations. So long as any of the Obligations shall remain Outstanding, the Authority shall maintain and keep, at the corporate trust office of the Trustee, books for the registration, transfer and exchange of Obligations, as applicable. Upon presentation thereof for such purpose at said office, the Authority shall register or cause to be registered in such books and permit to be transferred thereon, under such reasonable regulations as it or the Trustee may prescribe, any Obligations entitled to registration or transfer. So long as any of the Obligations remain Outstanding, the Authority shall make all necessary provisions to permit the exchange of Obligations at the corporate trust office of the Trustee. The Authority may provide in a Supplemental Indenture with respect to any particular Series of Obligations such restrictions on the beneficial ownership of such Obligations as the Authority may determine in order to comply with applicable Federal or other securities laws or regulations.

Section 3.5. Transfer of Obligations.

(A) Each Obligation shall be transferable only upon the books of the Authority, which shall be kept for such purpose at the corporate trust office of the Trustee, by the registered owner thereof in person or by such person's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Obligation, the Authority shall issue in the name of the transferee a new fully registered Obligation or Obligations of the same aggregate principal amount, tenor, maturity and Series as the surrendered Obligation. The Authority may provide in a Supplemental Indenture with respect to any particular Series of Obligations such restrictions on the transfer of such Obligations as the Authority may determine in order to comply with applicable Federal or other securities laws or regulations.

(B) The Authority and the Trustee may deem and treat the person in whose name any Obligation shall be registered upon the books of the Authority as the absolute owner of such Obligation, whether such Obligation shall be overdue or not, for the purpose

of receiving payment of, or on account of, the principal or Redemption Price, if any, of and interest on such Obligation and for all other purposes and all such payments so made to any such registered owner or upon such owner's order shall be valid and effectual to satisfy and discharge the liability upon such Obligation to the extent of the sum or sums so paid, and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

Section 3.6. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Obligations or transferring Obligations is exercised, the Authority shall execute and the Trustee shall authenticate and deliver Obligations in accordance with the provisions of this General Indenture and the applicable Supplemental Indenture. For every such exchange or transfer of Obligations, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charges required to be paid with respect to such exchange or transfer, and, except (i) with respect to the delivery of definitive Obligations in exchange for temporary Obligations or (ii) as otherwise provided herein, may charge a sum sufficient to pay the cost of preparing each new Obligation issued upon such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Obligations authorized thereunder, the Authority shall not be obliged to make any such exchange or transfer of Obligations (i) during the fifteen days preceding an Interest Payment Date on such Obligations, or (ii) with respect to any particular Obligation, after such Obligation has been called for redemption.

Section 3.7. Obligations Mutilated, Destroyed, Stolen or Lost. In case any Obligation shall become mutilated or be destroyed, stolen or lost, the Authority shall execute and the Trustee shall authenticate a new Obligation of like interest rate, maturity, principal amount, Series and other terms as the Obligation so mutilated, destroyed, stolen or lost. In the case of a mutilated Obligation, such new Obligation shall be delivered only upon surrender and cancellation of such mutilated Obligation. In the case of Obligations issued in lieu of and substitution for an Obligation destroyed, stolen or lost, such new Obligation shall be delivered only upon filing with the Trustee of evidence satisfactory to the Authority and the Trustee that such Obligation has been destroyed, stolen or lost and proof of ownership thereof and upon furnishing the Authority and the Trustee with indemnity satisfactory to them. The person requesting the authentication and delivery of a new Obligation pursuant to this Section shall comply with such other reasonable regulations as the Authority and the Trustee may prescribe and pay such expenses as the Authority and the Trustee may incur in connection therewith. All Obligations so surrendered to the Trustee shall be cancelled by it and evidence of such cancellation shall be given to the Authority.

Section 3.8. Preparation of Definitive Obligations; Temporary Obligations.

(A) Definitive Obligations shall be lithographed, typewritten or printed. Until definitive Obligations are prepared, the Authority may execute and deliver, in lieu of definitive Obligations, but subject to the same provisions, limitations and conditions as the definitive Obligations, except as to the denominations thereof and as to exchangeability, one or more temporary Obligations, substantially of the tenor of the definitive Obligations in lieu of which such temporary Obligations are issued, in the denominations provided in the applicable Supplemental Indenture, and with such omissions, insertions and variations

as may be appropriate to temporary Obligations. The installments of interest payable on such temporary Obligations shall be payable only upon the presentation of such temporary Obligations for notation thereon of the payment of such interest. Until so exchanged, the temporary Obligations shall in all respects be entitled to the same benefits and security as definitive Obligations issued pursuant to this General Indenture.

(B) All temporary Obligations surrendered in exchange for a definitive Obligation or Obligations shall be forthwith cancelled by the Trustee.

Section 3.9. Cancellation and Destruction of Obligations. All Obligations paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Obligations, together with all Obligations purchased by the Trustee, shall thereupon be promptly cancelled and Obligations so cancelled may, at any time, be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Obligations so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be filed with the Trustee.

Section 3.10. Execution and Authentication.

(A) After their authorization pursuant to a Supplemental Indenture, Obligations may be executed by or on behalf of the Authority and delivered to the Trustee for authentication. The Obligations shall be executed in the name and on behalf of the Authority by the manual, facsimile or, if permitted by law, electronic signature of an Authorized Officer, and attested by the manual, facsimile or, if permitted by law, electronic signature of any other Authorized Officer, or in such other manner as may be required by law. In case any one or more of the officers or employees who shall have signed any of the Obligations shall cease to be such officer or employee before the Obligations so signed shall have been actually delivered, such Obligations may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed such Obligations had not ceased to hold such office or be so employed. Any Obligation may be signed on behalf of the Authority by such persons as at the actual time of the execution of such Obligation shall be duly authorized or hold the proper office in or employment by the Authority, although at the date of the Obligations such persons may not have been so authorized or have held such office or employment.

(B) The Obligations shall bear thereon a certificate of authentication, substantially in the form set forth in the applicable Supplemental Indenture, executed manually by the Trustee. No Obligation shall be entitled to any right or benefit under this General Indenture or the applicable Supplemental Indenture or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Obligation executed on behalf of the Authority shall be conclusive evidence that the Obligation has been so authenticated and delivered under this General Indenture or the applicable Supplemental Indenture and that the owner thereof is entitled to the benefits hereof.

ARTICLE IV

APPLICATION, CUSTODY AND INVESTMENT OF OBLIGATION PROCEEDS AND OTHER AMOUNTS

Section 4.1. Application of Obligation Proceeds, Accrued Interest and Premium. The proceeds of sale of a Series of Obligations shall be applied in accordance with the applicable Supplemental Indenture.

Section 4.2. Investment of Certain Funds.

(A) Monies in any Fund or Account that are pledged pursuant to this General Indenture or any Supplemental Indenture shall be continuously invested and reinvested by the Trustee, at the direction of the Authority, in Investment Securities with a view toward maximizing yield (with proper preservation of principal) and minimizing the instances of uninvested funds, while maintaining adequate levels of liquidity as required by this General Indenture or any Supplemental Indenture. The Authority shall direct the Trustee from time to time as to the investment of amounts in the Funds and Accounts established or confirmed by this General Indenture or any Supplemental Indenture. The Authority may direct the Trustee to invest and reinvest the monies in any Fund or Account in Investment Securities so that the maturity date or date of redemption at the option of the owner thereof shall coincide as nearly as practicable with (but in no event later than) the times at which monies are needed to be expended; provided, however, that with respect to monies in a Fund or Account established by a Supplemental Indenture that are not pledged pursuant to this General Indenture, the Authority may, if so provided in such Supplemental Indenture, designate another party as authorized to direct the investment of monies in such Fund or Account. The Investment Securities purchased shall be held by the Trustee, or for its account as Trustee and shall be deemed at all times to be part of such Fund or Account, and the Trustee shall keep the Authority advised as to the details of all such investments. Subject to the provisions of Section 11.3, the Trustee shall not be liable or responsible for any loss resulting from such investments. Investments authorized to be made by the Trustee pursuant to this General Indenture may be made by the Trustee through its own bond or investment department, unless otherwise provided in a Supplemental Indenture.

(B) Investment Securities purchased as an investment of monies in any Fund or Account held by the Trustee under the provisions of this General Indenture or any Supplemental Indenture shall be deemed at all times to be a part of such Fund or Account but the income or interest earned and gains realized in excess of losses suffered by a Fund or Account due to the investment thereof shall be deposited in the related Account in the Revenue Fund or shall be credited as Revenues to the related Account in the Revenue Fund from time to time and reinvested, except as otherwise provided in Section 5.1(C) hereof or in a Supplemental Indenture with respect to a Fund or Account established thereunder and except for interest income representing a recovery of the premium and accrued interest, if any, included in the purchase price of any Investment Security, which shall be retained in the particular Fund or Account for which the Investment Security was purchased.

(C) To the extent permitted by law, the Trustee may combine any amounts on deposit in the Funds and Accounts held under this General Indenture for the purpose of purchasing Investment Securities. However, the Trustee shall maintain and keep separate accounts of such Funds and Accounts at all times.

(D) Unless otherwise provided in a Supplemental Indenture, the Trustee shall, upon direction from the Authority or such other party as shall be designated in a Supplemental Indenture, sell, and make, or present for redemption or exchange, any Investment Security purchased by it pursuant to this General Indenture or any Supplemental Indenture whenever it shall be necessary in order to provide monies to meet any payment or transfer from the Fund or Account for which such investment was made.

(E) Unless an Event of Default has occurred hereunder, monies held in trust by the Trustee under this General Indenture or under a Supplemental Indenture shall be invested by the Trustee, and Investment Securities shall be sold by the Trustee, only upon direction from the Authority or such other party as shall be designated in a Supplemental Indenture, given or confirmed in writing, instructing the Trustee to purchase or sell, as the case may be, specified Investment Securities.

(F) Upon receipt of written instructions from an Authorized Officer of the Authority, the Trustee shall exchange any coin or currency of the United States of America or Investment Securities held by it pursuant to this General Indenture or any Supplemental Indenture for any other coin or currency of the United States of America or Investment Securities of like amount.

Section 4.3. Valuation and Sale of Investments.

(A) In computing the amount in any Fund or Account, obligations purchased as an investment of monies therein shall be valued at their amortized value or if purchased at par, at par.

(B) Except as otherwise provided herein, the Trustee shall sell or present for redemption, any Investment Security whenever it shall be requested in writing by an Authorized Officer to do so or whenever it shall be necessary in order to provide monies to meet any payment or transfer from any Fund or Account held by it. An Investment Security may be credited on a pro-rata basis to more than one Fund or Account and need not be sold in order to provide for the transfer of amounts from one Fund or Account to another.

ARTICLE V

FUNDS AND ACCOUNTS

Section 5.1. Establishment of Funds and Accounts.

(A) The Authority hereby establishes the following special trust accounts to be held by the Trustee in segregated accounts in the name of the Trustee for funds to be deposited therein pursuant to the terms hereof or of any Supplemental Indenture:

- (1) Proceeds Fund, and therein a Series Account and a Cost of Issuance Account;
- (2) Revenue Fund, and therein a Debt Service Account, a Redemption Account and a Rebate Account;
- (3) Debt Service Reserve Fund; and
- (4) Surplus Fund.

(B) All such Funds shall be held and maintained by the Trustee in the name of the Authority and shall be identified by the Authority and the Trustee according to the designations herein provided in such manner as to distinguish such Funds from the accounts established by the Authority for any other of its obligations. Unless the Authority otherwise directs, the Trustee shall establish Accounts or sub-accounts within each Fund or Account with respect to each Series of Obligations to the extent consistent with this General Indenture (including Accounts and sub-accounts held in trust for the benefit of Non-Parity Obligations and Parity Obligations) and such other Funds or Accounts or subaccounts as are authorized pursuant to a Supplemental Indenture, including accounts for the deposit of Escrow Payments, and Accounts or subaccounts to which Revenues are transferred for the payment of scheduled payments of principal of and interest on Obligations. All monies or securities held by the Trustee pursuant to this General Indenture or a Supplemental Indenture shall be held in trust and applied only in accordance with the provisions of this General Indenture, the applicable Supplemental Indenture, the Act and other applicable law. In addition, the Trustee, at the written direction of the Authority, may from time to time establish such other funds and accounts as the Authority may determine that are not subject to the lien of the General Indenture.

(C) Except as otherwise provided in a Supplemental Indenture with respect to a Fund or Account established thereunder which is not pledged to the payment of the Obligations or to any Credit Enhancer in connection with Credit Enhancement, earnings on all such Funds and Accounts required to be deposited into the Rebate Fund shall be deposited, at least as frequently as the end of each fifth Obligation Year and at the time that the last Obligation that is part of the Series for which a Rebate Amount is required is discharged, into the Rebate Fund, and earnings on all such Funds and Accounts not required to be deposited into the Rebate Fund shall be deposited, as realized, in the Revenue Fund.

Section 5.2. Proceeds Fund.

(A) There shall be deposited from time to time in the Proceeds Fund, and in the appropriate subaccounts of the Series Account and the Costs of Issuance Account therein, any proceeds of the sale of Obligations representing principal or premium or other amounts required to be deposited therein pursuant to this General Indenture and any Supplemental Indenture, and any other amounts determined by the Authority to be deposited therein from time to time.

(B) Subject to the provisions of the applicable Supplemental Indenture, amounts in the Series Account of the Proceeds Fund shall be expended only (i) to finance one or more of the Authority Purposes, including but not limited to, the financing of Loans, which may include making Loans, acquiring Loans or refinancing Loans, and the financing of Mortgage-Backed Securities, which may include acquiring Mortgage-Backed Securities or refinancing Mortgage-Backed Securities; (ii) to purchase or redeem a Series in accordance with subsection (E) of this Section; (iii) to pay, purchase or redeem bonds, notes or other obligations of the Authority or any other entity in accordance with subsection (F) of this Section; and (iv) if so provided in a Supplemental Indenture, to reimburse a Credit Enhancer for amounts obtained under Credit Enhancement for the purposes described in clauses (ii) or (iii) of this paragraph (B).

(C) Subject to the provisions of the Supplemental Indenture related to a Series of Obligations, amounts in the Cost of Issuance Account shall be expended only to pay Costs of Issuance for such Series of Obligations, as directed by the Authority and any moneys remaining therein after all Costs of Issuance for such Series of Obligations have been satisfied shall be transferred to the subaccount of the Series Account related to such Series of Obligations.

(D) The Trustee shall pay out and permit the withdrawal of amounts on deposit in the Proceeds Fund at any time for the purpose of making payments pursuant to clause (i) of paragraph (B) of this Section, but only upon receipt of:

(1) a written requisition of an Authorized Officer of the Authority, in the form attached to a Supplemental Indenture, setting forth the amount to be paid, the person or persons to whom such payment is to be made (which may be or include the Authority) and, in reasonable detail, the purpose of such withdrawal, and, if applicable, the subaccount of the Proceeds Fund from which such withdrawal is to be made; and

(2) other items as shall be required under this General Indenture and a Supplemental Indenture.

(E) At any time the Authority may direct the Trustee in writing to transfer amounts in the Series Account of the Proceeds Fund not required for the financing of the Authority Purposes to the Redemption Fund or to apply such amounts directly to the redemption, purchase or retirement of Obligations in accordance with their terms and the provisions of Article VI.

(F) If so provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, the Authority may direct the Trustee in writing to transfer amounts in the Proceeds Fund to fund the payment, purchase or redemption of obligations, which may include interest thereon, theretofore issued by the Authority or any other entity upon receipt by the Trustee of a written requisition setting forth (i) the Obligations with respect to which the transfer is to be made, and (ii) the amount of the transfer.

(G) Upon the final disbursement of amounts on deposit in the Proceeds Fund or any sub-account thereof, at the direction of the Authority, the Trustee shall close the Proceeds Fund or such account or sub-account thereof.

Section 5.3. Maintenance of Escrows. All amounts received by the Authority or a servicer on behalf of the Authority as Escrow Payments shall be deposited as promptly as possible in escrow accounts maintained by the Authority or a servicer deemed responsible for such purpose by the Authority. Amounts in such escrow accounts, or in any sub-account therein, shall be within the control of the Authority or such servicer and may, but need not, be held by the Trustee. Amounts in such escrow accounts shall not be subject to the lien and pledge of this General Indenture or a Supplemental Indenture, unless otherwise provided therein. Such amounts may be set aside and held with any similar funds similarly held and may be applied to any lawful purpose of the Authority subject to the terms of the Loan with respect to which such amounts were received and of any agreement between the Authority and the Mortgagor or any Credit Enhancer relating to the Loan. All Escrow Payments and all Revenues and other payments received and held by a depository with respect to such Loan shall be separately identified.

Section 5.4. Revenue Fund.

(A) The Authority shall cause all Pledged Receipts to be deposited promptly with the Trustee in the Revenue Fund or any Account or subaccount created therein. There shall also be deposited in the Revenue Fund or any Account or subaccount created therein any other amounts required to be deposited therein pursuant to this General Indenture and any Supplemental Indenture.

(B) Except as otherwise provided in a Supplemental Indenture with respect to a Series of Obligations, the Trustee shall transfer from the Revenue Fund: (i) to the Debt Service Account or subaccounts created thereunder, as applicable, on or before each Interest Payment Date, the amounts required for the payment of the Principal Installments, if any, and interest due on a Series of Obligations on such Interest Payment Date; (ii) to the Redemption Account, or subaccounts created thereunder, as applicable, on or before the Redemption Date or date of purchase, the amounts required to pay the Redemption Price on Outstanding Obligations to be redeemed or purchased on such date, and in each such case such amounts shall be applied by the Trustee to such payments, provided, however, that if, pursuant to a Supplemental Indenture, amounts obtained under Credit Enhancement are to be used to make the payments referred to in this paragraph (B), then amounts in the Revenue Fund which would have otherwise been used to make such payments may be applied to reimburse the Credit Enhancer for the amounts so obtained, all in accordance with such Supplemental Indenture; and (iii) to pay Program Expenses.

(C) On the last business day of each fiscal year of the Authority or such other date, if any, as shall be specified by a Supplemental Indenture, the Trustee shall deliver to the Authority a certificate containing a statement which sets forth, as of such date, the amount remaining in the Revenue Fund as of such date after deducting all payments required to have been made pursuant to paragraph (B) of this Section and the amount, if any, required to be transferred to the Debt Service Reserve Fund to maintain the applicable Debt Service Reserve Requirement and/or to the Proceeds Fund. Concurrently with the delivery of such certificate, the Trustee shall transfer from the Revenue Fund (i) first, to the Debt Service Reserve Fund, an amount equal to the amount necessary to be transferred thereto in order that the amount on deposit therein be equal to the Debt Service Reserve Requirement (or such lesser amount as may be available), (ii) second, to the Proceeds Fund, such amount as the Authority determines is required to finance Authority Purposes, as evidenced by a certificate of an Authorized Officer, and (iii) third, if so directed by the Authority, to the payment of Program Expenses and any other costs or expenses of the Authority in connection with any program of the Authority, or transfers to the Rebate Account, all as designated in a Certificate. At any time after the delivery of such certificate by the Trustee and after the transfers described in (i), (ii) and (iii) above, if applicable, have been made, except as otherwise provided in a Supplemental Indenture, or unless otherwise directed by the Authority any amount remaining in the Revenue Fund shall be deposited into the Surplus Fund.

(D) Notwithstanding any other provision of this Section, the Trustee may at any time make transfers from the Revenue Fund, upon the written direction of an Authorized Officer, to the Redemption Fund for the purposes thereof. No such transfer shall be made, however, unless there is on deposit in the Revenue Fund after such transfer an amount equal to the Debt Service accrued on all Outstanding Obligations as of the date of such transfer.

(E) Notwithstanding any other provision of this Section, no payments shall be required to be made into the Revenue Fund so long as the amount on deposit therein shall be sufficient to pay accrued Debt Service on all Outstanding Obligations of each Series (including the Sinking Fund Payments for the retirement thereof) in accordance with their terms, and any Revenues thereafter received by the Authority may be applied to any Authority Purposes free and clear of the pledge and lien of this General Indenture and the applicable Supplemental Indenture.

Section 5.5. Redemption Account.

(A) There shall be deposited in the Redemption Account all amounts which are required to be deposited therein pursuant to this General Indenture and any Supplemental Indenture and any other amounts available therefor and determined by the Authority to be deposited therein. Subject to the provisions of this General Indenture or of any Supplemental Indenture authorizing the issuance of a Series of Obligations requiring the application thereof to the payment, purchase or redemption of any particular Obligations, the Trustee shall apply any amounts deposited in the Redemption Account to the purchase or redemption of Obligations at the times and in the manner provided in this Section and Article VI.

(B) Except as otherwise provided in an applicable Supplemental Indenture, at any time before the thirtieth day prior to the day upon which a Series of Obligations are to be paid or redeemed from such amounts, the Trustee shall, if so directed in writing by the Authority, apply amounts in the Redemption Account to the purchase of any of the Obligations of a Series which may be paid or redeemed by application of amounts on deposit therein. The Trustee shall purchase Obligations of a Series at such times, for such prices, in such amounts and in such manner as the Authority shall from time to time direct. The foregoing notwithstanding, unless specifically directed otherwise by written instructions of an Authorized Officer, any monies in the Redemption Account resulting from Recoveries of Principal, or unless otherwise permitted pursuant to a Supplemental Indenture, shall be applied to the purchase or redemption of Obligations of the Series issued to finance the Loans or Mortgage-Backed Securities which gave rise to the Recoveries of Principal, such Obligations to be purchased or redeemed on a reasonably proportionate basis among all maturities of such Series based upon the principal amount of such Obligations then Outstanding as directed by the Authority. In the event that Sinking Fund Payments have been established for the Obligations so purchased or redeemed, such Sinking Fund Payments shall be credited in the manner provided in Section 5.4(D). The purchase price paid by the Trustee (excluding accrued interest but including any brokerage and other charges) for any Obligation purchased shall not exceed the Redemption Price on such Obligations, if then subject to redemption, or if not subject to redemption, the Redemption Price payable on any such date upon which such Obligation is next subject to redemption other than from Sinking Fund Payments; provided, however, that, to the extent permitted by law, the purchase of such Obligations may be at prices exceeding that set forth above in this paragraph (B) as directed by the Authority if the Authority shall provide funds to pay for such excess price. In the event the Trustee is able to purchase Obligations of a Series at a price less than the Redemption Price at which such Obligations were to be redeemed, then, upon the payment by the Trustee of the purchase price of such Obligations, the Trustee shall transfer the difference between the amount of such purchase price and the amount of such Redemption Price to, and deposit the same in, the Revenue Fund.

(C) Except as otherwise specifically provided herein, the Trustee shall have no obligation to purchase or attempt to purchase Obligations at a price below the Redemption Price or at any other price and any arm's length purchase by the Trustee shall conclusively be deemed fair and reasonable.

(D) Notwithstanding anything to the contrary contained in this Section, if, pursuant to a Supplemental Indenture, amounts obtained under Credit Enhancement are to be used to purchase or redeem Obligations, then amounts in the Redemption Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Enhancer for the amounts so obtained, all in accordance with such Supplemental Indenture.

Section 5.6. Debt Service Reserve Fund.

(A) There shall be deposited in the Debt Service Reserve Fund all amounts required to be deposited therein pursuant to this General Indenture and any Supplemental

Indenture and any other amounts received and determined to be deposited therein by the Authority.

(B) Amounts on deposit in the Debt Service Reserve Fund shall be applied, to the extent other funds are not available therefor pursuant to this General Indenture and the applicable Supplemental Indenture, to pay the Principal Installments of and interest on the Outstanding Obligations of a Series when due, whether by call for redemption or otherwise. Whenever the amount in the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement for any given Series of Obligations, the Trustee shall, if so directed by the Authority pursuant to a written direction specifying the Debt Service Reserve Requirement, withdraw from the Debt Service Reserve Fund the amount of any excess therein over the Debt Service Reserve Requirement as of the date of such withdrawal and deposit the monies so withdrawn into the Revenue Fund.

(C) Moneys in the Debt Service Reserve Fund shall, at the direction of the Authority, be withdrawn from the Debt Service Reserve Fund by the Trustee and deposited in the Redemption Fund for the purchase or redemption of Obligations at any time, provided that subsequent to such purchase or redemption the amount in the Debt Service Reserve Fund will not be less than the Debt Service Reserve Requirement.

(D) If on any Interest Payment Date or Redemption Date for a Series of Obligations the amount in the Revenue Fund and the Redemption Fund, as applicable, shall be less than the amount required for the payment of the Principal Installments and interest due on the Outstanding Obligations of such Series on such date, the Trustee shall apply amounts from the Debt Service Reserve Fund to the extent necessary to make good the deficiency. The Trustee will notify the Authority if, 30 days prior to any Interest Payment Date or Redemption Date, the amount on deposit in the Revenue Fund or the Redemption Fund, as applicable, is estimated by the Trustee to be insufficient to make any payment due without a draw on the Debt Service Reserve Fund.

(E) Notwithstanding anything to the contrary contained in this Section, if, pursuant to a Supplemental Indenture, amounts obtained under Credit Enhancement are to be used to pay the Principal Installments of and interest on Obligations, then amounts in the Debt Service Reserve Fund which would otherwise have been used for such purposes may be applied to reimburse the Credit Enhancer for the amounts so obtained, all in accordance with such Supplemental Indenture.

(F) The Debt Service Reserve Fund established by Section 5.1 is not an account or subfund within, or in any way related to, the state capital reserve account referred to in Section 8-258 of the Act. The amount deposited and/or retained in the Debt Service Reserve Fund is not a “minimum capital reserve requirement” within the meaning of said Section 8-258 of the Act and, in computing such “minimum capital reserve requirement,” amounts on deposit in the Debt Service Reserve Fund shall not be included in such computation.

Section 5.7. Surplus Fund. There is hereby established a Surplus Fund, which shall be subject to the lien of this General Indenture to secure Obligations, to the extent provided in a

Supplemental Indenture. The Trustee shall deposit amounts into the Surplus Fund pursuant to Section 5.4 hereof and also at the written direction of the Authority. Except as otherwise provided in a Supplemental Indenture, disbursements from the Surplus Fund shall be made only upon receipt by the Trustee of a written direction by an Authorized Officer and may be (A) transferred to a Fund or Account established under a Supplemental Indenture, notwithstanding whether the Obligations issued pursuant to such Supplemental Indenture are Parity Obligations or Non-Parity Obligations, and/or (B) withdrawn and transferred to the Authority or to such other account, fund or party as shall be directed by the Authority, but upon the Authority filing a Cash Flow Certificate giving effect to such transfer. Amounts on deposit in the Surplus Fund shall be invested or reinvested by the Trustee at the direction of the Authority in any investments as may be determined from time to time by the Authority. Any earnings on the Surplus Fund shall be retained on deposit in the Surplus Fund until disbursed at the written direction of an Authorized Officer.

Section 5.8. Rebate Account.

(A) With respect to each Series of Obligations there shall be deposited into the related Account of the Rebate Account, as directed by a Certificate of an Authorized Officer of the Authority, such amounts as are required to satisfy any “arbitrage rebate requirements” to comply with the requirements of Section 148 of the Code. The Rebate Account and the amounts deposited in the related subaccount therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee or any Owner or any other person other than as set forth herein.

(B) The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Officer, shall deposit in the Rebate Account at least as frequently as the end of each fifth Obligation Year and at the time that the last Obligation that is part of the Series for which a Rebate Amount is required is discharged, an amount such that the amount held in the Rebate Account after such deposit is equal to the Rebate Amount calculated as of such time of calculation. The amount deposited in the Rebate Account pursuant to the previous sentence shall be deposited from amounts withdrawn from the Revenue Fund, and to the extent such amounts are not available in the Revenue Fund, directly from earnings on the Funds and Accounts.

(C) Amounts on deposit in the Rebate Account shall be invested in the same manner as amounts on deposit in the Funds and Accounts, except as otherwise specified by an Authorized Officer to the extent necessary to comply with the covenant set forth in Section 7.8 hereof, and except that the income or interest earned and gains realized in excess of losses suffered by the Rebate Account due to the investment thereof shall be deposited in or credited to the Rebate Account from time to time and reinvested.

(D) In the event that, on any date of calculation of the Rebate Amount, the amount on deposit in the Rebate Account exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Officer, shall withdraw such excess amount and deposit it in the Revenue Fund.

(E) The Trustee, upon the receipt of written instructions and certification of the Rebate Amount from an Authorized Officer, shall pay to the United States, out of amounts

in the Rebate Account, (i) not less frequently than once each five (5) years after the date of original issuance of each Series for which a Rebate Amount is required, an amount such that, together with prior amounts paid to the United States, the total paid to the United States is equal to 90% of the Rebate Amount with respect to each Series for which a Rebate Amount is required as of the date of such payment, and (ii) notwithstanding the provisions of Section 12.1(D) hereof, not later than sixty (60) days after the date on which all Obligations of a Series for which a Rebate Amount is required have been paid in full, 100% of the Rebate Amount as of the date of payment.

Section 5.9. Hedging Transaction. The Authority may enter into Qualified Hedge Agreements from time to time in respect of the Obligations. A Hedge Agreement is a “Qualified Hedge Agreement” if (1) at the time of execution of such Hedge Agreement, the Hedge Agreement is with a qualified Hedge Agreement Provider and (2) the Authority designates the Hedge Agreement as a Qualified Hedge Agreement by a Certificate.

If the Authority shall enter into any Qualified Hedge Agreement with respect to any Series and the Authority has made a determination that such Qualified Hedge Agreement was entered into for the purpose of hedging or managing the interest due with respect to specified Obligations, then during the term of such Qualified Hedge Agreement and so long as the Hedge Provider of the Qualified Hedge Agreement is not in default:

(A) for purposes of any calculation of debt service on Obligations, the interest rate on the Obligations with respect to which the Qualified Hedge Agreement applies shall be determined as if such Obligations had interest payments equal to the interest payable on those Obligations less any payments reasonably expected to be made to the Authority by the Hedge Provider and plus any payments reasonably expected to be made by the Authority to the Hedge Provider in accordance with the terms of the Qualified Hedge Agreement (other than fees, expenses or termination payments payable to such Hedge Provider for providing the Qualified Hedge Agreement);

(B) any such payments (other than fees, expenses and termination payments) required to be made by the Authority to the Hedge Provider pursuant to such Qualified Hedge Agreement shall be made from amounts on deposit in the Revenue Fund to be used to pay interest on Obligations pursuant to Section 5.4(B), unless otherwise specified by the Authority to be paid from other moneys, and, in accordance with the Supplemental Indenture authorizing such Series of Bonds, shall be secured as set forth therein;

(C) any such payments received by or for the account of the Authority from the Hedge Provider pursuant to such Qualified Hedge Agreement shall constitute Receipts immediately subject to the pledge of this General Indenture and be deposited in the Revenue Fund; and

(D) fees not equivalent to regular Obligation debt service payments, as well as expenses and termination payments, if any, payable to the Hedge Provider may be paid from amounts on deposit in the Revenue Fund pursuant to Section 5.4(C) to be used to pay Program Expenses, or such other funds as are specifically designated by the Authority, in

each case if and to the extent expressly provided in the Qualified Hedge Agreement or applicable Supplemental Indenture.

ARTICLE VI

REDEMPTION OF OBLIGATIONS

Section 6.1. Privilege of Redemption and Redemption Price. Obligations of a Series subject to redemption prior to maturity shall be redeemable, upon notice as provided in this Article, at such times, at such Redemption Prices and upon such other terms as may be specified in this General Indenture or the applicable Supplemental Indenture and in the particular Obligations.

Section 6.2. Redemption at the Election or Direction of the Authority. In the case of any redemption or purchase of Obligations of a Series otherwise than as provided in Section 6.3, the Authority shall give written notice to the Trustee of its election or direction to redeem or purchase, the Redemption Date or purchase date, the Series and the principal amounts of the Obligations and maturities to be redeemed or purchased (which Series, Redemption Date or purchase date, maturities and principal amounts thereof to be redeemed or purchased shall be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in this General Indenture or the applicable Supplemental Indenture) and of any monies to be applied to the payment of the Redemption Price or purchase price. Except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, such notice shall be given at least forty (40) days prior to the Redemption Date, at least five (5) days prior to a purchase date, or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as provided in Section 6.5, the Trustee, if it holds the monies to be applied to the payment of the Redemption Price, shall pay an amount which, in addition to other monies, if any, available therefor held by the Trustee, will be sufficient to redeem on the Redemption Date, all the Obligations of a Series to be redeemed at the Redemption Price therefor. Any redemption elected under this Section shall be effected as quickly as practicably possible consistent with the notice provisions of Section 6.5.

Section 6.3. Redemption Otherwise Than at Authority's Election or Direction. Whenever by the terms of this General Indenture or a Supplemental Indenture, the Trustee is required to redeem Obligations of a Series otherwise than at the election or direction of the Authority, and subject to and in accordance with the terms of this Article and, to the extent applicable, Article V, the Trustee shall give the notice of redemption and pay the Redemption Price to the Owners on the required Redemption Date. In the event of a partial redemption of Obligations of a Series from Recoveries of Principal, the Authority shall direct the Series and maturity or maturities of such Obligations to be so redeemed in accordance with the provisions of Section 5.5. Any redemption elected under this Section shall be effected as quickly as practicably possible consistent with the notice provisions of Section 6.5.

Section 6.4. Selection of Obligations to be Redeemed. Except as otherwise provided in a Supplemental Indenture, in the event of redemption of less than all the Outstanding Obligations of like Series and maturity, the Trustee shall select Obligations by lot, using such method of selection as it shall deem proper in its sole discretion. For the purposes of this Section, Obligations which have theretofore been selected by lot for redemption shall not be deemed Outstanding.

Section 6.5. Notice of Redemption. When the Trustee shall receive notice from the Authority (or from such other party as shall be designated by the Authority in a Supplemental Indenture) of its election or direction to redeem Obligations of a Series pursuant to Section 6.2 and when redemption of Obligations is required by this General Indenture pursuant to Section 6.3 or the applicable Supplemental Indenture, the Trustee shall give notice, in the name of the Authority, of the redemption of such Obligations. Such notice shall specify the Series and maturities of the Obligations to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable and, if less than all the Obligations of any like maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Obligations to be redeemed and, in the case of Obligations to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed. Such notice shall further state that, assuming the satisfaction of all conditions precedent, if any, to such redemption, on such date there shall become due and payable upon each Obligation to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Obligations to be redeemed in part only, together with interest accrued to the Redemption Date, and that from and after such date interest thereon shall cease to accrue and be payable in accordance with Section 6.6 hereof. Except as otherwise provided in a Supplemental Indenture, the Trustee shall mail or otherwise make available a copy of such notice, postage prepaid, not less than thirty (30) days before the Redemption Date to the registered owners of any Obligations or portions of Obligations which are to be redeemed, at their last addresses, if any, appearing upon the registry books, provided that any owner of an Obligation may, at its option, waive notice of such redemption in writing.

Any notice of redemption pursuant to this Section may, if directed by the Authority, be given specifying that the redemption of the Obligations so called for redemption is made conditional upon the deposit of sufficient amounts to pay the redemption price therefor on the Redemption Date and, if amounts are not so available, such notice of redemption shall be cancelled and be null and void and the Obligations so called for redemption and subject to such conditional redemption notice shall continue to remain Outstanding.

Section 6.6. Payment of Redeemed Obligations. Notice having been given in the manner provided in Section 6.5 and all conditions precedent, if any, specified in such notice having been satisfied, the Obligations of a Series or portions thereof so called for redemption shall become due and payable on the Redemption Date so designated at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, and, except as otherwise provided in a Supplemental Indenture, upon presentation and surrender thereof at the office specified in such notice, together with, in the case of portions of Obligations of a Series, a written instrument of exchange duly executed by the registered owner or his duly authorized attorney. Such Obligations, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the Redemption Date. If there shall be drawn for redemption less than the entire principal amount of an Obligation, the Authority shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Obligation, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Obligation so surrendered registered Obligations of like Series and maturity in any of the authorized denominations. If, on the Redemption Date, monies for the redemption of all the Obligations of a Series or portions thereof to be redeemed, together with interest to the Redemption Date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid and all conditions precedent to such redemption

shall have been satisfied, then, from and after the Redemption Date interest on the Obligations of a Series or portions thereof so called for redemption shall cease to accrue and be payable. If said monies shall not be so available on the Redemption Date or if any conditions precedent to such redemption shall not have been satisfied, the redemption of such Obligations shall be cancelled and such Obligations or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE VII

PARTICULAR COVENANTS

The Authority covenants and agrees with the Trustee and the owners of the Obligations as follows:

Section 7.1. Performance. The Authority shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Authority under the provisions of the Act, any other applicable law and this General Indenture and any Supplemental Indenture in accordance with the terms of such provisions.

Section 7.2. Compliance With Conditions Precedent. Upon the date of issuance of any of the Obligations of a Series, all conditions, acts and things required by law or by this General Indenture and any Supplemental Indenture to exist, to have happened or to have been performed precedent to or in the issuance of such Obligations shall exist, have happened and have been performed, or will have happened or been performed.

Section 7.3. Power to Issue Obligations and Pledge Revenues, Funds and Other Property. The Authority is duly authorized under all applicable laws to adopt this General Indenture and any Supplemental Indenture in compliance with the Act and to pledge the assets and Revenues purported to be pledged by this General Indenture and each Supplemental Indenture in the manner and to the extent provided herein and in each Supplemental Indenture. The assets and Revenues so pledged will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created hereby, subject to the provisions of Sections 2.3 regarding permitted pledges to Credit Enhancers, and all corporate or other action on the part of the Authority to that end will be duly and validly taken. The Obligations, when issued, and the provisions of this General Indenture and any Supplemental Indenture, are and will be the valid and legally enforceable obligations of the Authority in accordance with their terms and the terms of this General Indenture and any Supplemental Indenture. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other assets, including rights therein pledged under this General Indenture and any Supplemental Indenture and all the rights of the Owners under this General Indenture and any Supplemental Indenture against all claims and demands of all persons whomsoever.

Section 7.4. Payment of Obligations. The Authority shall duly and punctually pay or cause to be paid, as herein provided, the principal or Redemption Price of every Obligation and the interest thereon, at the dates and places and in the manner stated in the Obligations, according to the true intent and meaning thereof and shall duly and punctually pay or cause to be paid all Sinking Fund Payments, if any, becoming payable with respect to any of the Obligations provided,

however, that the Authority's obligation to make payments on the Obligations is limited to the Revenues and other assets that are pledged hereunder or under any Supplemental Indenture.

Section 7.5. Offices for Servicing Obligations. The Authority shall at all times maintain an office where Obligations may be presented for payment, registration, transfer or exchange, and where notices, presentations and demands upon the Authority in respect of the Obligations or of this General Indenture and any Supplemental Indenture may be served. The Authority hereby appoints the Trustee as its agent to maintain such office for the registration, transfer or exchange of Obligations, and for the service of such notices, presentations and demands upon the Authority.

Section 7.6. Further Assurance. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Revenues and assets hereby pledged or assigned, or intended so to be, or which the Authority may become bound to pledge or assign.

Section 7.7. Agreement of the State. In accordance with the Act, the Authority as agent for the State does hereby pledge to and agree with the Owners of Obligations that the State will not limit or alter the rights vested by the Act in the Authority until the Obligations, together with the interest thereon, are fully met and discharged and such contracts are fully performed on the part of the Authority, provided nothing herein contained shall preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the Owners of Obligations.

Section 7.8. Tax Covenants. The Authority shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Obligations, unless otherwise provided in the applicable Supplemental Indenture, shall be excluded from gross income for Federal income tax purposes, subject to such exceptions and qualifications, if any, that may exist under the Code.

Section 7.9. Covenants with Respect to Loans and Mortgage-Backed Securities.

(A) To secure the payment of the principal or Redemption Price of and interest on the Obligations of a Series, the Authority does hereby pledge and assign to the Trustee, in trust for the benefit of the Owners, all of its right, title and interest in and to the Loans and Mortgage-Backed Securities, which pledge shall be valid and binding from and after the date of adoption of this General Indenture and the applicable Supplemental Indenture. Such Loans or Mortgage Backed Securities shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof. Notwithstanding anything to the contrary contained herein, the Authority may, pursuant to a Supplemental Indenture authorizing a Series of Obligations, (i) also pledge one or more Loans or Mortgage-Backed Securities for the benefit of one or more Credit Enhancers who have provided Credit Enhancement to secure such Series of Obligations, and such further pledge shall be on a parity with the pledge set forth in this paragraph (A) to secure the

payment of such Obligations, all as set forth in such Supplemental Indenture, or (ii) provide that any or all of the Loans or Mortgage-Backed Securities financed by the Series of Obligations authorized pursuant to such Supplemental Indenture be excluded from the pledge set forth in this paragraph (A) to secure the payment of the Obligations of such Series or otherwise limit such pledge with respect to such Loans or Mortgage-Backed Securities; provided that in no case shall any moneys or assets then pledged under the General Housing Bond Resolution be pledged to secure any Obligations. Upon the occurrence and during the continuance of an Event of Default and the written request of the Trustee or the Owners of not less than a majority in principal amount of the Outstanding Obligations, the Authority shall effectuate the assignment and deliver any such Loans or Mortgage-Backed Securities excluded from or limited as to the pledge described in this paragraph to the Trustee. If, however, the Trustee and the Owners are restored to their positions in accordance with Section 10.4, the Trustee shall assign such Loans or Mortgage-Backed Securities with respect thereto back to the Authority.

In order to pay the Principal Installments of and interest on the Obligations of a Series when due, the Authority shall, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, any other applicable law, the provisions of this General Indenture and sound banking practices and principles, (i) do all such acts and things as shall be necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Loans, except in the case of mortgage loans underlying Mortgage-Backed Securities), (ii) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Authority to protect its rights with respect to or to maintain any insurance on Loans and to enforce all terms, covenants and conditions of the Loans, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made, and (iii) diligently enforce all rights of the Authority with respect to the collection of Revenues from any Credit Enhancer or issuer of any Mortgage-Backed Security.

(B) The Authority may at any time, consistent with the other provisions of this General Indenture or any Supplemental Indenture, sell, transfer, assign, dispose of or otherwise release from the lien of this General Indenture or the applicable Supplemental Indenture a Loan or Mortgage-Backed Security:

- (1) in order to realize the benefit of any insurance or guarantee with respect to such Loan or Mortgage-Backed Security or any covenant of a mortgage lender or servicer under any Loan document;
- (2) in order to provide funds for the redemption or purchase of a principal amount of Obligations of a Series corresponding to the unpaid principal amount of such Loan or Mortgage-Backed Security;
- (3) upon payment in full of such Loan or Mortgage-Backed Security; or

(4) if permitted by a Supplemental Indenture, as part of a substitution of such Loan or Mortgage-Backed Security with another Loan or Mortgage-Backed Security.

Section 7.10. Personnel and Servicing of Loans.

(A) The Authority, or an agent of the Authority, shall at all times appoint, retain and employ competent personnel for the purpose of carrying out its purposes and powers under the Act and other applicable law and shall comply with any applicable requirements of the Act and other applicable State and Federal law with respect to the employment of such personnel.

(B) The Authority may pay to any agency, municipality, political subdivision or governmental instrumentality of the State such amounts as are necessary to reimburse such agency, municipality, political subdivision or governmental instrumentality of the State for the reasonable costs of any services performed for the Authority.

(C) The Authority shall duly and properly service all Loans and enforce the payment and collection of all payments of principal and interest and all Escrow Payments or shall cause such servicing to be done by a servicer evidencing, in the judgment of the Authority, the capability and experience necessary to adequately service the Loans. Except as otherwise provided in a Supplemental Indenture, each such servicer shall enter into a servicing agreement providing that:

(1) all amounts received by such servicer, except as compensation for its services, shall be deposited in an institution that meets the requirements of the Authority;

(2) such servicer shall at all times remain qualified to act as such pursuant to such standards as the Authority shall prescribe from time to time and shall determine to be reasonable to maintain the security for the applicable Series of Obligations; and

(3) such servicer shall agree to maintain servicing facilities that are staffed with trained personnel to adequately service Loans in accordance with standards normally employed by private institutional mortgage investors, as determined in the Authority's sole discretion, and shall maintain individual files for each Loan serviced pursuant to the servicing agreement and provide regular reports to the Authority as to collections and delinquencies with respect to all Loans serviced by such servicer.

Section 7.11. Issuance of Additional Obligations.

(A) The Authority shall not hereafter create or permit the creation of or issue any obligations or create any indebtedness which will be secured by a superior charge and lien on the Revenues and assets pledged under or pursuant to this General Indenture or any Supplemental Indenture for the payment of Parity Obligations; provided that the Authority may create or permit the creation of or issue any obligations or create any indebtedness

which will constitute Non-Parity Obligations. In addition, the Authority shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness which will be secured by an equal charge and lien on the Revenues and assets pledged under or pursuant to this General Indenture or any Supplemental Indenture, other than Obligations and except as expressly permitted by this General Indenture or any Supplemental Indenture with respect to pledges made for the benefit of Credit Enhancers.

(B) The Authority hereby expressly reserves the right to adopt one or more additional indentures for its purposes, and reserves the right to issue other obligations for such purposes that are not issued under this General Indenture or any Supplemental Indenture.

Section 7.12. Funds, Accounts and Reports.

The Authority shall keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all its transactions relating to the Loans, Mortgage-Backed Securities and all Funds and Accounts established by this General Indenture and any Supplemental Indenture, which shall at all reasonable times be subject to the inspection of the Trustee and the Holders of an aggregate of not less than 5% in principal amount of Obligations then Outstanding or their representatives duly authorized in writing. The Authority may authorize or permit the Trustee to keep such books on behalf of the Authority provided that the Trustee agrees in writing in a manner satisfactory to the Authority to comply with any applicable State or Federal privacy or similar laws or regulations governing access to, or use or dissemination of, information relating to the borrowers.

Section 7.13. Sale of Loans or Mortgage-Backed Securities. The Authority is authorized to sell, assign or otherwise dispose of a Loan or Mortgage-Backed Securities, in addition to a sale, assignment or disposition permitted pursuant to Section 7.9 hereof or any applicable Supplemental Indenture, provided the proceeds of such sale, assignment or disposition shall be treated as Recoveries of Principal for purposes of this General Indenture and provided, further, that, with respect to any Loan not in default, a Certificate is filed with the Trustee to the effect that such sale, assignment or disposition will not adversely affect the ability of the Authority to pay scheduled debt service on the related Obligations.

Section 7.14. Disposition of Recoveries of Principal. Unless otherwise provided in the related Supplemental Indenture, all Recoveries of Principal shall be deposited in the Redemption Fund and any applicable subaccounts therein and applied to the redemption of the Series of Obligations which financed the Loan or Mortgage-Backed Security with respect to which such recovery has been received as soon as practically possible. Any such amounts received that are not needed for the redemption of such Obligations shall be paid as provided in a Supplemental Indenture, or otherwise paid to the Authority or other party entitled thereto free of the lien of this General Indenture and the applicable Supplemental Indenture.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.1. Supplemental Indentures Effective Upon Filing With the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture of the Authority may be adopted without notice to or consent of the Owners of the Obligations, Credit Enhancer or Hedge Provider which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer, shall be fully effective in accordance with its terms:

(A) to close this General Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this General Indenture on, the authentication and delivery of Obligations or the issuance of other evidences of indebtedness;

(B) to add to the covenants and agreements of the Authority in this General Indenture other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with this General Indenture as theretofore in effect;

(C) to add to the limitations and restrictions in this General Indenture other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with this General Indenture as then in effect;

(D) to surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of this General Indenture, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained in this General Indenture;

(E) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this General Indenture, of the Revenues or of any other revenues or assets;

(F) to modify any of the provisions of this General Indenture in any respect whatever, but only if (i) such modification shall be, and be expressed to be, effective only after all Obligations Outstanding at the date of the adoption of such Supplemental Indenture shall cease to be Outstanding, and (ii) such Supplemental Indenture shall be specifically referred to in the text of all Obligations authenticated and delivered after the date of the adoption of such Supplemental Indenture and of Obligations issued in exchange therefor or in place thereof;

(G) to authorize the issuance of a Series of Obligations in accordance with Sections 2.6, 2.7 and 2.8 and to prescribe the terms and conditions thereof and any additional terms and conditions upon which such Series of Obligations may be issued;

(H) to comply with regulations or rulings issued with respect to the Code to the extent determined as necessary or desirable in Bond Counsel's opinion;

(I) to pledge under this General Indenture any additional collateral as further security for the Obligations or specific Series of Obligations, including, but not limited to, additional Loans, Mortgage-Backed Securities or other assets or revenues;

(J) to modify or supplement the definition of Investment Securities, provided that any such modification shall not result in a reduction or withdrawal of the then existing ratings on the Obligations of a Series by the Rating Agency; and

(K) to make any additions, deletions or modifications to this General Indenture as long as the additions, deletions or modifications, as the case may be, will not, in and of themselves, result in a reduction or withdrawal of the then existing ratings on the Outstanding Obligations of a Series by the Rating Agency.

Section 8.2. Supplemental Indentures Effective Upon Consent of Trustee.

(A) For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture may be adopted without notice to or the consent of any Owners of the Obligations, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer, and (ii) the filing with the Trustee and the Authority of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(1) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this General Indenture; or

(2) to insert such provisions clarifying matters or questions arising under this General Indenture as are necessary or desirable and are not contrary to or inconsistent with this General Indenture as theretofore in effect; or

(3) to provide for additional duties of the Trustee in connection with the Loans or Mortgage-Backed Securities.

(B) Any such Supplemental Indenture may also contain one or more of the purposes specified in Section 8.1, and in that event, the consent of the Trustee required by this Section shall be applicable only to those provisions of such Supplemental Indenture as shall contain one or more of the purposes set forth in subsection (A) of this Section.

Section 8.3. Supplemental Indentures Effective Upon Consent of Obligation Owners. Exclusive of Supplemental Indentures described in Sections 8.1 and 8.2, at any time or from time to time, a Supplemental Indenture may be adopted subject to consent by Owners in accordance with and subject to the provisions of Article IX. Any such Supplemental Indenture shall become fully effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer and upon compliance with the provisions of Article IX.

Section 8.4. General Provisions.

(A) This General Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article

and Article IX. Nothing in this Article or Article IX contained shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any Indenture, act or other instrument pursuant to the provisions of Section 7.6 or the right or obligation of the Authority to execute and deliver to the Trustee any instrument which is to be delivered to the Trustee pursuant to this General Indenture or any Supplemental Indenture.

(B) Any Supplemental Indenture permitted or authorized by Section 8.1 or 8.2 may be adopted by the Authority and the Trustee without the consent of any of the Owners, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Indenture filed with the Trustee shall be accompanied by an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed and delivered in accordance with the provisions of this General Indenture, is authorized or permitted by this General Indenture, is valid and binding upon the Authority, and, subject to bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity, is enforceable in accordance with its terms.

(C) The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Indenture referred to and permitted or authorized by Section 8.1, 8.2 or 8.3 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected (except for the Trustee's own negligence or willful misconduct) in relying on an Opinion of Counsel that such Supplemental Indenture is authorized or permitted by the provisions of this General Indenture.

ARTICLE IX

AMENDMENTS

Section 9.1. Mailing of Notice of Amendment. Any provision in this Article for the mailing of a notice or other paper to Owners of a Series shall be fully complied with if it is mailed postage prepaid (i) to each registered Owner of Obligations of a Series affected then Outstanding at such owner's address, if any, appearing upon the registry books of the Authority, and (ii) to the Trustee.

Section 9.2. Powers of Amendment. Exclusive of Supplemental Indentures described in Sections 8.1 and 8.2, any modification of or amendment to this General Indenture and of the rights and obligations of the Authority and of the Owners of the Obligations hereunder, in any particular Series of Obligations may be made by a Supplemental Indenture, but only, in the event such Supplemental Indenture shall be adopted pursuant to Section 8.3, with the written consent given as provided in Section 9.3, (i) of the Owners of at least a majority in principal amount of the Obligations Outstanding at the time such consent is given, and (ii) in case less than all of the Obligations then Outstanding are affected by the modification or amendment, of the Owners of at least a majority in principal amount of the Obligations so affected and Outstanding at the time such consent is given; provided, however, that in addition to the foregoing and notwithstanding anything to the contrary contained herein, any modification of or amendment to a Supplemental Indenture

authorizing the issuance of a Series of Obligations and of the rights and obligations of the Authority and of the Owners of the Obligations of such Series thereunder, may, if no Obligations other than the Obligations of such Series are affected by the modification or amendment, be made by a Supplemental Indenture, but only, in the event such Supplemental Indenture shall be adopted pursuant to Section 8.3, with the written consent given as provided in Section 9.3, of the Owners of at least a majority in principal amount of the Obligations of such Series Outstanding at the time such consent is given. If any such modification or amendment will not take effect so long as any Obligations of any specified Series and maturity remain Outstanding however, the consent of the Owners of such Obligations shall not be required and such Obligations shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Obligations under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Obligation or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Obligation, or shall reduce the percentages or otherwise affect the classes of Obligations the consent of the Owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. For the purposes of this Section, an Obligation shall be deemed to be affected by a modification or amendment of this General Indenture or a Supplemental Indenture if the same adversely affects or diminishes the rights of the Owner of such Obligation. The Trustee may in its sole discretion determine whether or not in accordance with the foregoing powers of amendment any Obligations would be affected by any modification or amendment hereof, and with respect to determinations concerning security the Trustee may rely on assessments by any applicable Rating Agency then rating the affected Obligations to the effect that the outstanding rating on such Obligations will not be adversely affected, and any such determination shall be binding and conclusive on the Authority and all Owners of Obligations.

Section 9.3. Consent of Obligation Owners.

(A) A copy of any Supplemental Indenture making a modification or amendment which is not permitted by the provisions of Section 8.1 or 8.2 (or a brief summary thereof or reference thereto in form approved by the Authority), together with a request to Owners for their consent thereto in form satisfactory to the Authority, shall be provided by the Authority or at the direction of the Authority, the Trustee, to the Owners of any registered Obligation or to any Owner who shall within the past two years have filed such Owner's name and address with the Trustee for such purpose. Such Supplemental Indenture shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Owners of the percentages of Outstanding Obligations specified in Section 9.2 and (b) an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed and delivered by the Authority in accordance with the provisions of this General Indenture, is authorized or permitted hereby and is valid and binding upon the Authority and enforceable in accordance with its terms (except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity), and (ii) a notice shall have been provided as hereinafter provided in this Section.

(B) The consent of an Owner to any modification or amendment shall be effective only if accompanied by proof of the holding, at the date of such consent, of the

Obligations with respect to which such consent is given, which proof shall be such as is permitted by Section 11.13. A certificate by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with such Section 11.13 shall be conclusive that the consents have been given by the Owners of the Obligations described in such certificate of the Trustee. Any such consent shall be binding upon the Owner of the Obligations giving such consent and upon any subsequent Owner of such Obligations and of any Obligations issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof) unless such consent is revoked in writing by the Owner of such Obligations giving such consent or a subsequent owner thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter provided for in this Section is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee.

(C) At any time after the Owners of the required percentages of Obligations shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the Authority and the Trustee a written statement that the Owners of such required percentages of Obligations have filed such consents. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture entered into by the Authority and the Trustee on a stated date, a copy of which is on file with the Trustee) has been consented to by the Owners of the required percentages of Obligations and will be effective as provided in this Section, may be given to Owners by the Trustee by providing such notice to the Owners not more than ninety days after the owners of the required percentages of Obligations shall have filed their consents to the Supplemental Indenture and the written statement of the Trustee hereinabove provided for is filed. The Trustee shall retain proof of the provision of such notice. A record, consisting of the consents required or permitted by this Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment or modification shall be deemed conclusively binding upon the Authority, the Trustee and the Owners of all Obligations at the expiration of forty days after the filing with the Trustee of the proof of the provision of the notice of such consent, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such forty day period, except that the Trustee and the Authority during such forty day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as they may deem expedient.

Section 9.4. Modifications by Unanimous Consent. Exclusive of Supplemental Indentures described in Sections 8.1 and 8.2, the terms and provisions of this General Indenture and the rights and obligations of the Authority and of the Owners of the Obligations hereunder may be modified or amended in any respect upon the adoption and filing by the Authority of a Supplemental Indenture and the consent of the Owners of all the Obligations then Outstanding, such consent to be given as provided in Section 9.3, but no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without the filing with the Trustee of the written assent thereto of the Trustee in addition to the consent of the Owners. No notice of any such

modification or amendment either by mailing or publication shall be required to be given to Owners.

Section 9.5. Exclusion of Obligations. Obligations owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Obligations provided for in this Article, and the Authority shall not be entitled with respect to such Obligations to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Trustee a Certificate, upon which the Trustee may rely, describing all Obligations to be so excluded.

Section 9.6. Notation on Obligations. Obligations authenticated and delivered after the effective date of any action taken as provided in Article VIII or this Article may and, if the Authority so determines, shall bear a notation by endorsement or otherwise in form approved by the Authority as to such action. In that case, upon demand of the Owner of any Outstanding Obligation at such effective date and presentation of such Owner's Obligation at the corporate trust office of the Trustee or upon any transfer or exchange of any Obligation Outstanding at such effective date, suitable notation shall be made on such Obligation or upon any Obligation issued upon any such transfer or exchange by the Trustee as to any such action. If the Authority shall so determine, new Obligations modified to conform (in the opinion of the Authority) to such action shall be prepared, executed, authenticated and delivered, and upon demand of the Owner of any Obligation then Outstanding shall be exchanged, without cost to such Owner, for Obligations of the same Series and maturity, then Outstanding, upon surrender of such Obligations.

Section 9.7. Amendment of Supplemental Indentures. The Authority and the Trustee may enter into an indenture supplementing or amending a Supplemental Indenture to the same extent and subject to the same procedures and limitations as shall apply to a Supplemental Indenture executed and delivered pursuant to this General Indenture.

Section 9.8. Consent of Credit Enhancer. For purposes of this Article IX, but only so long as the Credit Enhancer has not defaulted on its obligations under the Credit Enhancement, the Credit Enhancer shall be considered the sole Holder of all Obligations to which such Credit Enhancement relates, except as otherwise provided in an applicable Supplemental Indenture.

ARTICLE X

DEFAULTS AND REMEDIES

Section 10.1. Trustee to Exercise Powers of Trustee. In accordance with the Resolution and the Act, the Trustee shall be and hereby is vested with all of the rights, powers and duties of a trustee appointed by Holders of Obligations, and the right of Owners of Obligations to appoint a trustee is hereby abrogated.

Section 10.2. Events of Default. Unless otherwise provided in a Supplemental Indenture, each of the following events is hereby declared an “Event of Default:”

(A) Failure to make payment of the principal or Redemption Price, if any, of any of the Obligations, or interest on any of the Obligations, in each case, when and as the same shall become due, whether at maturity or upon call for redemption or otherwise; or

(B) the Authority shall fail or refuse to comply with the provisions of this General Indenture or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained herein or in any applicable Supplemental Indenture or the Obligations, and such failure, refusal or default shall continue for a period of forty-five days after written notice thereof to the Authority by the Trustee or the owners of not less than a majority in principal amount of the Outstanding Obligations with respect to such failure, refusal or default;

provided, however, that an Event of Default arising in connection with Non-Parity Obligations shall not constitute an Event of Default with respect to Obligations which are not Non-Parity Obligations or Parity Obligations secured separately from the Parity Obligations with respect to which such default occurred (“Other Parity Obligations”). For purposes of determining the percentages of Owners of Obligations as provided in this General Indenture, only the Owners of Obligations with respect to such failure, refusal or default, other than the Owners of Non-Parity Obligations or Other Parity Obligations, shall be taken into account unless the Event of Default relates only to Non-Parity Obligations or Other Parity Obligations, in which case, the percentages of Owners shall apply only to the Owners of Non-Parity Obligations or Other Parity Obligations with respect to such failure, refusal or default. In the case of an Event of Default arising only in connection with Non-Parity Obligations or Other Parity Obligations, any acceleration or other remedy shall relate only to such Non-Parity Obligations or Other Parity Obligations. Under no circumstances shall the Authority’s failure to pay Non-Parity Obligations or Other Parity Obligations constitute an Event of Default under this General Indenture.

If the Authority determines that an Event of Default has occurred under Section 10.2(B) the Authority shall promptly notify the Trustee thereof.

Section 10.3. Remedies.

(A) Upon the occurrence and during the continuance of any Event of Default specified in paragraph (a) of Section 10.2, the Trustee shall proceed, or upon the occurrence and during the continuance of any Event of Default specified in paragraph (b) of Section 10.2, the Trustee may proceed and, upon the written request of the owners of not less than a majority in principal amount of the applicable Outstanding Obligations, shall proceed, in its own name, subject to the provisions of Section 11.6, to protect and enforce the rights of such Owners by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the applicable Owners, including the right to require the Authority to receive and collect Revenues adequate to carry out the covenants and

agreements as to the Loans and Mortgage-Backed Securities and to require the Authority to carry out any other covenants or agreements with such Owners, including the assignment of the Loans and Mortgage-Backed Securities, and to perform its duties under the Act;

(2) by bringing suit upon the applicable Obligations;

(3) by action or suit in equity, to require the Authority to account as if it were the trustee of an express trust for the owners of the applicable Obligations;

(4) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the owners of the applicable Obligations;

(5) by declaring all applicable Outstanding Obligations due and payable (provided that with respect to an Event of Default specified in clause (b) of Section 10.2, no such declaration shall be made without the consent of the Owners of 100% in principal amount of the applicable Outstanding Obligations), and if all defaults shall be cured, then, with the written consent of the owners of not less than a majority in principal amount of the applicable Outstanding Obligations, by annulling such declaration and its consequences; or

(6) in the event that all applicable Outstanding Obligations are declared due and payable, by selling Loans, Mortgage-Backed Securities and any Investment Securities securing such Obligations.

(B) In the enforcement of any rights and remedies under this General Indenture or any Supplemental Indenture, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts, due and unpaid from the Authority for principal, Redemption Price, interest or otherwise, under any provisions of this General Indenture or a Supplemental Indenture or of the Obligations with interest on overdue payments at the rate of interest specified in such Obligations, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Obligations, without prejudice to any other right or remedy of the Trustee or of the Owners, and to recover and enforce a judgment or decree against the Authority for any portion of such amounts remaining unpaid, limited, however, in all cases, to the Revenues and other assets pledged under this General Indenture or any Supplemental Indenture to the extent available therefor, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorneys' fees), and to collect from any monies available for such purpose, in any manner provided by law, the monies adjudged or decreed to be payable.

(C) Upon the occurrence of any Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Owners under this General Indenture or any Supplemental Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and of the Pledged Receipts pending such proceedings, with such powers as the court making such appointment shall confer.

(D) Except upon the occurrence and during the continuance of an Event of Default hereunder, the Authority hereby expressly reserves and retains the privilege to receive and, subject to the terms and provisions of this General Indenture or any Supplemental Indenture, to keep or dispose of, claim, bring suit upon or otherwise exercise, enforce or realize upon its rights and interest in and to the Loans and Mortgage-Backed Securities and the proceeds and collections therefrom, and neither the Trustee nor any Owner of the applicable Series shall in any manner be or be deemed to be an indispensable party to the exercise of any such privilege, claim or suit.

(E) All remedies conferred upon or reserved to the Holders of Obligations hereunder may also be conferred upon and reserved to a related Credit Enhancer and may be cumulative as provided in Section 10.09 hereof. Nothing herein shall preclude the Authority from providing in an applicable Supplemental Indenture or in any Credit Enhancement, that the exercise of any remedy hereunder or the waiver of any Event of Default hereunder by the Trustee or the Holder of any such Obligations shall be subject to the prior written consent of any related Credit Enhancer. Such Supplemental Indenture or related Credit Enhancement, may provide that any and all notices required to be given under this Article X by the Authority or the Trustee to the Holder of any Obligations shall also be given to any related Credit Enhancer.

Section 10.4. Priority of Payments After Default.

(A) In the event that upon the occurrence and during the continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of the principal or Redemption Price, if any, of and interest then due on the Obligations affected and secured thereby, such funds (other than funds held for the payment or redemption of particular Obligations which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to this Article, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the Owners of such Obligations and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under this General Indenture and the applicable Supplemental Indenture, shall be applied as follows:

(1) Unless the principal of all of such Series of Obligations shall have become or have been declared due and payable:

FIRST: To the payment to the Holders of Parity Obligations entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

SECOND: To the payment to the Holders of Parity Obligations entitled thereto of the unpaid principal or Redemption Price of any such Series Obligations which shall have become due, whether at maturity or by

call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all of the Obligations of such Series due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference,

THIRD: To the payment to the Holders of Non-Parity Obligations entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

FOURTH: To the payment to the Holders of Non-Parity Obligations entitled thereto of the unpaid principal or Redemption Price of any such Series Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all of the Obligations of such Series due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference, and

FIFTH: To the payment to other persons entitled to payment hereunder or under the applicable Supplemental Indenture;

provided, that, to the extent provided in a Supplemental Indenture, Holders of Obligations shall be entitled to such payments from Funds and Accounts held separate and distinct from the lien of this General Indenture and established for the exclusive payment of such Obligations as provided in Sections 2.3(B) and 2.8 of this General Indenture.

(2) If the principal of all such Obligations shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon such Obligations without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Obligation over any other such Obligation of such Series, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in such Obligations; provided, that the payment of the principal of and interest on Non-Parity Obligations shall be subordinate to the payment of principal of and interest on Parity Obligations, except with respect to Non-Parity Obligations which are payable from Funds and Accounts held separate and distinct from the lien of this General Indenture and established for the exclusive payment of such Non-Parity Obligations.

(B) Whenever monies are to be applied by the Trustee pursuant to the provisions of this Section, such monies shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such monies available for application and the likelihood of additional monies becoming available for such application in the future. The deposit of such monies with the Trustee, or otherwise setting aside such monies in trust for the proper purpose, shall constitute proper application by the Trustee and the Trustee shall incur no liability whatsoever to the Authority, to any Owner or to any other person for any delay in applying any such monies, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this General Indenture and the applicable Supplemental Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such monies, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the owner of any Obligation unless such Obligation shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 10.5. Termination of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default has been discontinued or abandoned for any reason, then in every such case the Authority, the Trustee and the Owners of the applicable Obligations shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 10.6. Obligation Owners' Direction of Proceedings. Anything in this General Indenture to the contrary notwithstanding, the Owners of the majority in principal amount of the Obligations then Outstanding with respect to the affected Series shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder and under the applicable Supplemental Indenture or waiver of any Event of Default, provided that such direction shall not be otherwise than in accordance with law or the provisions of this General Indenture and the applicable Supplemental Indenture, that the Trustee shall be indemnified as provided in Article XI hereof, and that the Trustee and under the applicable Supplemental Indenture shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction.

Section 10.7. Limitation on Rights of Obligation Owners.

(A) No Owner of any Obligation of any Series shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law hereunder, or for the protection or enforcement of any right under this General Indenture unless such owner shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the Owners of not less than a majority in principal amount of the Obligations then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action,

as the case may be, shall have occurred, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses (including legal fees and expenses) and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under this General Indenture and the applicable Supplemental Indenture or for any other remedy provided hereunder or by law. It is understood and intended that no one or more Owners of the Obligations hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this General Indenture and the applicable Supplemental Indenture, or to enforce any right hereunder or under law with respect to the Obligations or this General Indenture and the applicable Supplemental Indenture, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners of the Outstanding Obligations of the applicable Series. Nothing contained in this Article shall affect or impair the right of any Owner to enforce the payment of the principal of and interest on such Owner's Obligations, or the obligation of the Authority to pay the principal of and interest on each Obligation of the applicable Series issued hereunder to the owner thereof at the time and place in said Obligation expressed.

(B) Anything to the contrary notwithstanding contained in this Section, or any other provision of this General Indenture, each Owner of any Obligation by such Owner's acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under this General Indenture or any Supplemental Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable pre-trial, trial and appellate attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Owner, or group of Owners, holding at least a majority in principal amount of the Obligations Outstanding with respect to the applicable Series of Obligations, or to any suit instituted by any Owner for the enforcement of the payment of any Obligation of a Series on or after the respective due date thereof expressed in such Obligation.

Section 10.8. Possession of Obligations by Trustee Not Required. All rights of action under this General Indenture or any Supplemental Indenture or under any of the Obligations of a Series, enforceable by the Trustee, may be enforced by it without the possession of any of the Obligations or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Owners of such Obligations, subject to the provisions of this General Indenture and any Supplemental Indenture.

Section 10.9. Remedies Not Exclusive. No remedy herein or in any Supplemental Indenture conferred upon or reserved to the Trustee or to the Owners of the Obligations is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 10.10. No Waiver of Default. No delay or omission of the Trustee or of any Owner of the Obligations of any Series to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein and every power and remedy given by this General Indenture or the applicable Supplemental Indenture to the Trustee and the Owners of the Obligations of the applicable Series, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 10.11. Notice of Event of Default. The Trustee shall give to the Owners of the applicable Series notice of each Event of Default hereunder known to the Trustee within ninety days after actual knowledge by the Trustee of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice. Each such notice of Event of Default shall be given by the Trustee by mailing written notice thereof: (i) to all registered Owners of Obligations, as the names and addresses of such Owners appear upon the books for registration and transfer of Obligations as kept by the Trustee, (ii) to the Authority, at least three Business Days prior to mailing such written notice to the Owners, and (iii) to such other persons as may be required by law.

ARTICLE XI

CONCERNING THE FIDUCIARIES

Section 11.1. Acceptance of Duties of Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this General Indenture by executing the same, and thereupon the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Obligations thereafter to be issued, upon the terms and conditions set forth in this General Indenture.

Section 11.2. Appointment and Acceptance of Duties of Paying Agents. The Authority may appoint one or more Paying Agents for the Obligations of any Series in the Supplemental Indenture authorizing such Obligations or may appoint such Paying Agent or Paying Agents by resolution of the Authority adopted prior to the authentication and delivery of such Obligations, and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 11.13 for the appointment of a successor Paying Agent. The Trustee may be appointed and may act as a Paying Agent.

Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by written instrument of acceptance executed and delivered to the Authority and the Trustee.

The corporate trust offices of the Paying Agents are hereby designated as the respective agencies of the Authority for the payment of the interest on and principal or Redemption Price of the Obligations.

Section 11.3. Responsibility of Fiduciaries. The recitals of fact herein and in the Obligations contained shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. The Fiduciaries make no representations as to the validity or sufficiency of this General Indenture or any Supplemental Indenture or of any Obligations issued hereunder or in respect of the security afforded by this General Indenture or any Supplemental Indenture, and the Fiduciaries shall not incur any responsibility in respect thereof. Prior to an Event of Default and after the curing or waiver of all such events which may have occurred, a Fiduciary shall be responsible for the performance only of such duties as are specifically set forth herein, and no duty shall be implied from any provision hereof. No implied covenants or obligations shall be read into this General Indenture against the Fiduciaries. The Trustee, during the existence of any such Event of Default (which shall not have been cured or waived), shall exercise such rights and powers vested in it by this General Indenture or in a Supplemental Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under similar circumstances in the conduct of such person's own affairs. The Trustee shall be responsible for its representations contained in its certificate on the Obligations. The Trustee shall not be under any responsibility or duty with respect to the issuance of the Obligations for value or the application of the proceeds thereof or the application of any monies paid to the Authority or for the failure of the Authority or any agent thereof to make collections or deposits or to perform any act required to be performed by the Authority. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own monies, unless properly indemnified to its satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. The Trustee shall cooperate with the auditor of the Authority's financial statements at the request of the Authority.

Section 11.4. Evidence on Which a Fiduciary May Act. Each Fiduciary shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder or under any Supplemental Indenture, including payment of monies out of any Fund or Account, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate, and such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this General Indenture or any Supplemental Indenture upon the faith thereof, but in its sole discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable. No Fiduciary shall be liable to the Authority, the Owners of any of the Obligations or any other person for any act or omission done or omitted to be done by such Fiduciary in reliance upon any instruction, direction or certification received by the Fiduciary pursuant to this General Indenture or any Supplemental Indenture or for any act or omission done or omitted in good faith and without negligence or willful misconduct by the Fiduciary. Except as otherwise expressly provided herein, any request, order, notice or other

direction required or permitted to be furnished pursuant to any provision hereof by the Authority to the Fiduciary shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer. In the administration of the trusts of this General Indenture, a Fiduciary may execute any of the trusts or powers hereby granted directly or through its agents, receivers or attorneys, and a Fiduciary may consult with counsel (who may be counsel for the Authority) and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or permitted by it hereunder in good faith and in accordance with the opinion of such counsel.

Section 11.5. Compensation and Indemnification. Unless otherwise provided in a Supplemental Indenture, the Authority shall pay to the Trustee and each Paying Agent from time to time reasonable compensation for all services rendered under this General Indenture or any Supplemental Indenture in accordance with the provisions of an agreement entered into between the Trustee and each Paying Agent and the Authority. Upon the occurrence of an Event Default, the Trustee and each Paying Agent shall be entitled to compensation as provided for hereunder, including under Section 10.4(A) hereof. The Authority, solely from the amounts pledged hereunder, shall indemnify and hold the Trustee and each Paying Agent harmless against any liabilities, losses, damages, costs and expenses (including attorney's fees and expenses of the Trustee and each Paying Agent), causes of action, suits, claims, demands and judgments of any kind and nature which it may incur in the exercise and performance of its powers and duties hereunder without negligence or willful misconduct by the Trustee or the Paying Agent, as the case may be.

Section 11.6. Permitted Acts and Functions. The Trustee and any Paying Agent may become the Owner of any Obligations, with the same rights it would have if it were not the Trustee or Paying Agent. The Trustee and any Paying Agent may act as depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the enforcement of the Obligations or this General Indenture, whether or not any such committee shall represent the Owners of a majority in principal amount of the Obligations then Outstanding. The Trustee and any Paying Agent may be an underwriter in connection with the sale of the Obligations or of any other securities offered or issued by the Authority or any political subdivision thereof.

Section 11.7. Resignation of Trustee. A Trustee may at any time resign and be discharged of the duties and obligations created by this General Indenture by giving not less than one hundred and eighty (180) days' written notice to the Authority and providing notice thereof specifying the date when such resignation shall take effect, to each of the Owners, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed, as provided in Section 11.9, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, no such resignation shall take effect until a successor Trustee has been appointed and all trust funds and records of the resigning Trustee have been transferred to the successor Trustee in a satisfactory manner.

Section 11.8. Removal of Trustee. A Trustee shall be removed by the Authority if at any time so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Authority and signed by the Owners of a majority in principal amount of the Obligations then

Outstanding or their attorney-in-fact duly authorized, excluding any Obligations held by or for the account of the Authority. The Authority may remove the Trustee at any time, except during the existence of an Event of Default, for such cause as shall be determined in the sole discretion of the Authority by filing with the Trustee an instrument signed by an Authorized Officer or, if agreed to by the Authority and the Trustee in writing, at any time without cause (except during the existence of an Event of Default).

Section 11.9. Appointment of Successor Trustee.

(A) In case at any time a Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of a Trustee, or of its property or affairs, the Authority covenants and agrees that it will thereupon appoint a successor Trustee.

(B) If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five days after the Trustee shall have given to the Authority written notice, as provided in Section 11.7, or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Owner of any Obligation may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(C) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a trust company or bank having the powers of a trust company, having a minimum of \$100,000,000 in tier 1 capital, as reported for the trustee capital requirements measurement in the audited annual financial statements for the most recent fiscal year of such bank or trust company, if there be such a trust company or bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this General Indenture.

Section 11.10. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this General Indenture or any Supplemental Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all monies, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee, but the Trustee ceasing to act shall nevertheless, on the request of the Authority, or of its successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this General Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein or any Supplemental Indenture set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized

by law, be executed, acknowledged and delivered by the Authority. Upon the effectiveness of the resignation or removal of the Trustee, such Trustee's authority to act pursuant to this General Indenture or any Supplemental Indenture, as applicable, shall terminate and such Trustee shall have no further responsibility or liability whatsoever for performance of this General Indenture or any Supplemental Indenture, as applicable, as Trustee except with respect to any liability that may have arisen from the acts or omissions of the Trustee occurring prior to the date the Trustee ceases to have authority to so act, unless otherwise agreed to in writing by the Authority and the Trustee.

Section 11.11. Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiduciary may sell or transfer all or substantially all its corporate trust business shall be the successor to the Fiduciary without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding, provided (i) such company shall be a trust company or bank which is qualified to be a successor to a Fiduciary under Section 11.9, (ii) shall be authorized by law to perform all the duties imposed upon it by this General Indenture or any Supplemental Indenture, as applicable, and (iii) the Authority shall have consented to the appointment of such Fiduciary in its sole discretion. If the Authority does not consent to the appointment of such Fiduciary, the Authority shall remove the Fiduciary and appoint a successor in accordance with the provisions of Section 11.9.

Section 11.12. Adoption of Authentication. In case any of the Obligations shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Obligations and deliver such Obligations so authenticated, and in case any of the said Obligations shall not have been authenticated, any successor Trustee may authenticate such Obligations in the name of the predecessor Trustee or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Obligations or in this General Indenture or any Supplemental Indenture, as applicable, provided that the certificate of authentication of the Trustee shall have.

Section 11.13. Evidence of Signatures of Obligation Owners and Ownership of Obligations.

(A) Any request, consent or other instrument which this General Indenture or any Supplemental Indenture, as applicable, may require or permit to be signed and executed by the Owners of the applicable Series may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners of the applicable Series in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any person of the Obligations of the applicable Series shall be sufficient for any purpose of this General Indenture (except as otherwise herein expressly provided) or any Supplemental Indenture, as applicable, if made in the following manner, but the Trustee may nevertheless in its sole discretion require further or other proof in cases where it deems the same desirable. The fact and date of the execution by any Owner or such Owner's attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company, financial institution or other member of the National Association of Securities Dealers, Inc. satisfactory to the Trustee or of any notary public

or other officer authorized to take acknowledgements of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Owner may be established without further proof if such instrument is signed by a person purporting to be the president or vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

(B) The ownership of Obligations and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

(C) Any request, consent or vote of the Owner of any Obligation shall bind all future owners of such Obligation in respect of anything done or suffered to be done by the Authority or any fiduciary in accordance therewith.

Section 11.14. Preservation and Inspection of Documents; Reports.

(A) All documents received by the Trustee under the provisions of this General Indenture or any Supplemental Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority in either hardcopy or electronic form.

(B) The Trustee shall, on such date or dates as shall be identified in a Supplemental Indenture or otherwise identified by the Authority, file with the Authority such reports containing such information which the Authority may reasonably request and to which the Trustee has access in the ordinary course of its operations, which may include, without limitation:

- (1) the amount withdrawn or transferred by it and the amount deposited within or on account of each Fund and Account held by it under the provisions of this General Indenture or a Supplemental Indenture, including the amount of investment income on deposit in each Fund and Account;
- (2) the amount on deposit with it at the end of such month to the credit of each Fund and Account;
- (3) a brief description of all obligations held by it as an investment of moneys in each such Fund and Account; and
- (4) the amount applied to the purchase or redemption of Obligations and a description of the Obligations or portions of Obligations so purchased or redeemed.

Section 11.15. Patriot Act Requirements of the Trustee. 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

may request documentation to verify its formation and existence as a legal entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

ARTICLE XII

DEFEASANCE MISCELLANEOUS PROVISIONS

Section 12.1. Defeasance.

(A) If the Authority shall pay or cause to be paid to the Owners of all Obligations then Outstanding of a particular Series the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in this General Indenture and the applicable Supplemental Indenture, then the pledge of any Revenues and other monies, securities, funds and property pledged hereby and under the applicable Supplemental Indenture and all other rights granted hereby and by the applicable Supplemental Indenture shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction and the Trustee shall pay over or deliver to the Authority all monies or securities held by it pursuant to this General Indenture and the applicable Supplemental Indenture which are not required for the payment or redemption of Obligations not theretofore surrendered for such payment or redemption.

(B) Obligations or interest installments for the payment or redemption of which monies, Government Obligations or other obligations described in clause (c) below shall have been set aside and shall be held in trust by the Trustee (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity or Redemption Date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this Section. Except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Obligations, all Outstanding Obligations of any Series shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this Section if: (i) in case any of said Series of Obligations are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to give as provided in Article VI notice of redemption on said date of such Obligations, (ii) there shall have been set aside and shall be held in trust by the Trustee (through deposit by the Authority of funds for such payment or redemption or otherwise) either (a) monies in an amount which shall be sufficient, or (b) Government Obligations or (c) obligations (1) validly issued by or on behalf of a state or political subdivision thereof, and (2) fully secured by a first lien on Government Obligations, the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if any, of and interest due and to become due on said Series of Obligations on and prior to the Redemption Date or maturity date thereof, as the case may be (the sources in clauses (a)-(c) of this sentence are

referred to individually and collectively as the “Defeasance Collateral”); provided that the Authority shall have right to request the delivery of a Defeasance Verifier Report verifying the sufficiency of the Defeasance Collateral to make such payments, and (iii) in the event said Series of Obligations are not by their terms subject to redemption within the next succeeding sixty days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to give by mail, as soon as practicable, notice to the Owners of such Series of Obligations that the deposit required by this subsection has been made with the Trustee and that said Series of Obligations are deemed to have been paid in accordance with this Section and stating such maturity or Redemption Date upon which monies are to be available for the payment of the principal or Redemption Price, if any, on said Series of Obligations. To the extent required for the payment of the principal or Redemption Price, if applicable, of and interest on said Series of Obligations, neither monies deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to this Section shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if any, of and interest on said Series of Obligations; provided that any cash received from such principal or interest payments on such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to this Section, if not then needed for such purpose, shall, to the extent practicable, be reinvested in obligations described in clauses (b) or (c) above maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if any, of and interest to become due on said Series of Obligations on and prior to such Redemption Date or maturity date thereof, as the case may be, and, if not required for the payment of such Obligations, any monies deposited with the Trustee pursuant to this Section and principal and interest payments on the obligations described in clauses (b) or (c) above shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien or pledge. The Trustee may sell, transfer or otherwise dispose of the obligations described in clauses (b) and (c) above deposited with the Trustee pursuant to this Section at the direction of the Authority; provided that the amounts received upon any such sale, transfer or other disposition, or a portion of such amounts, shall be applied to the purchase of other obligations described in clauses (b) and (c) above, the principal of and the interest on which when due will provide monies which, together with the monies on deposit with the Trustee, shall be sufficient to pay when due the principal or Redemption Price, if applicable, of and interest due and to become due on said Obligations on and prior to the Redemption Date or maturity date thereof, as the case may be, in accordance with this Section. At the election of the Authority, the monies, Government Obligations or other obligations described in clause (c) above may be held by an escrow agent in trust for the benefit of the Owners of the applicable Series of Obligations for which such monies, Government Obligations or other obligations described in clause (c) above are being held, in which case references in this Section 12.1 to amounts held by the Trustee shall include amounts held by such escrow agent.

(C) If, through the deposit of monies by the Authority or otherwise, the Trustee shall hold, pursuant to this General Indenture or the applicable Supplemental Indenture, monies sufficient to pay the principal and interest to maturity on all Obligations of the applicable Series, or in the case of Obligations in respect of which the Authority shall have taken all action necessary to redeem prior to maturity, sufficient to pay the Redemption

Price and interest to such Redemption Date, then at the request of the Authority, all such monies shall be held by the Trustee for the payment or the redemption of Obligations of the applicable Series.

(D) Amounts held by the Trustee for the payment of principal or Redemption Price of, or interest on, Obligations of the applicable Series held by particular Owners with respect to which no claim for payment has been made shall be disposed of as provided by applicable law, or if there shall be no such applicable law, shall be returned to the Authority three years after the date on which payment of such amounts would have been due.

Section 12.2. No Recourse Under General Indenture or on Obligations. All covenants, stipulations, promises, agreements and obligations of the Authority contained in this General Indenture or any Supplemental Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any director, officer or employee of the Authority in such person's individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Obligations or for any claim based thereon or on this General Indenture or any Supplemental Indenture against any director, officer or employee of the Authority or any natural person executing the Obligations.

Section 12.3. Notices to Rating Agency. Except as otherwise provided in a Supplemental Indenture, and if the Obligations are then rated by a Rating Agency, the Trustee shall furnish to the applicable Rating Agency notice of (i) any optional redemption, defeasance or acceleration of the Obligations, (ii) any Supplemental Indenture, (iii) any material changes to this General Indenture, or (iv) the appointment of a successor trustee, following receipt by the Trustee of notice of such event. At the request of the Rating Agency, the Authority or the Trustee, as applicable, shall also furnish any information reasonably required by the Rating Agency for the purpose of maintaining the rating on the Obligations.

Section 12.4. Electronic Communications. Any notice, direction or other communication given hereunder from the Authority to any Fiduciary, from any Fiduciary to the Authority, or upon the approval of an Owner of an Obligation from the Authority or any Fiduciary to such Obligation Owner, may be given by sending it via e-mail or other electronic means in lieu of regular mail. In the case of e-mail or other electronic means, valid notice shall only have been deemed to have been given when an electronic confirmation of delivery has been obtained by the sender at the e-mail or other electronic address provided by each party, as updated from time to time. Any e-mail communication shall be deemed to have been validly and effectively given on the date of such communication, if such date is a business day and such delivery was made prior to 4:00 p.m., Eastern Standard Time, and otherwise on the next business day.

Section 12.5. Parties of Interest. Nothing in this General Indenture or in any Supplemental Indenture adopted pursuant to the provisions hereof, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or party other than the Authority, Trustee, Paying Agents or any provider of a Credit Enhancement and the Holders of the Bonds any rights, remedies or claims under or by reason of this General Indenture or any Supplemental Indenture or any covenants, condition or stipulation thereof; and all covenants, stipulations, promises and agreements in this General Indenture and any Supplemental Indenture contained by or on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, Trustee and Paying

Agents, any provider of a Credit Enhancement and the Holders from time to time of the Obligations.

Section 12.6. Severability. If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this General Indenture on the part of the Authority, Trustee or any Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, agreement or agreements, obligation or obligations shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this General Indenture.

Section 12.7. Headings. Any headings preceding the texts of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and do not constitute a part of this General Indenture, nor shall they affect its meaning, construction or effect.

Section 12.8. Counterparts. This General Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. In addition, the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12.9. Effective Date. This General Indenture shall take effect upon the execution and delivery hereof by the Trustee and the Authority.

IN WITNESS WHEREOF, the parties hereto have caused this Housing Revenue Bond General Trust Indenture to be duly executed by their duly authorized representatives, as of the date and year first above written.

**CONNECTICUT HOUSING FINANCE
AUTHORITY**

By: _____
[Name]
[Title]

Attest:

[Name]
[Title]

Trustee:

[NAME],
as Trustee

By: _____
[Name]
[Title]

Attest:

[Name]
[Title]