
WASHINGTON HEALTH CARE FACILITIES AUTHORITY

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,

Bond Trustee

BOND TRUST INDENTURE

Dated as of August 11, 2015

\$51,400,000

**WASHINGTON HEALTH CARE FACILITIES AUTHORITY
REVENUE BONDS, SERIES 2015A
(Catholic Health Initiatives)**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	2
SECTION 1.01. Definitions.	2
SECTION 1.02. Interpretation.	28
ARTICLE II THE BONDS.....	28
SECTION 2.01. Authorization of Bonds.	28
SECTION 2.02. Terms of the Bonds.	29
SECTION 2.03. Determination of Interest Rates on the Bonds; Conversions (Other than Fixed Rate Conversions).	30
SECTION 2.04. Fixed Rate Conversion at Option of the Corporation.....	47
SECTION 2.05. Terms of Auction Bonds; Conversion of Auction Bonds (Other than Fixed Rate Conversion).	51
SECTION 2.06. Execution of Bonds.	53
SECTION 2.07. Transfer of Bonds.	53
SECTION 2.08. Exchange of Bonds.	54
SECTION 2.09. Bond Register.	54
SECTION 2.10. Bonds Mutilated, Lost, Destroyed or Stolen.	55
SECTION 2.11. Bank Bonds.	55
SECTION 2.12. Book-Entry Bonds; Securities Depository.	57
SECTION 2.13. Transfers Outside Book-Entry System.	57
SECTION 2.14. Payments and Notices to the Nominee.	57
SECTION 2.15. Certain Exceptions.....	58
SECTION 2.16. Tender and Payment Procedures.	58
SECTION 2.17. Validity of Bonds.	59
SECTION 2.18. Calculation Agent.	59
SECTION 2.19. Form of Bonds.	60
ARTICLE III ISSUANCE OF BONDS; APPLICATION OF PROCEEDS.....	60
SECTION 3.01. Issuance of Bonds.....	60
SECTION 3.02. Application of Sale Proceeds of Bonds.	61
SECTION 3.03. [Reserved].....	61
SECTION 3.04. Establishment and Application of Project Fund.	61
ARTICLE IV REDEMPTION AND PURCHASE OF BONDS	61
SECTION 4.01. Terms of Redemption.	61
SECTION 4.02. Selection of Bonds for Redemption.	65
SECTION 4.03. Notice of Redemption.....	65
SECTION 4.04. Partial Redemption of Bonds.....	68
SECTION 4.05. Effect of Redemption.	68
SECTION 4.06. Purchase In Lieu of Redemption.	68
SECTION 4.07. The Tender Agent.	69
SECTION 4.08. Qualifications of Tender Agent.	70

SECTION 4.09. Optional Tenders During Variable Rate Periods, Window Variable-Rate Periods and RTV Rate Periods.....	71
SECTION 4.10. Purchase of Bonds by Tender Agent.	73
SECTION 4.11. Mandatory Purchase of Bonds.....	78
SECTION 4.12. Insufficient Funds for the Payment of Purchase Price.	82
SECTION 4.13. The Remarketing Agent.	83
SECTION 4.14. Qualifications of Remarketing Agent.....	84
SECTION 4.15. Sale of Bonds by Remarketing Agent.	85
SECTION 4.16. Delivery of Bonds.....	86
SECTION 4.17. The Liquidity Facility and/or Credit Facility.	87
SECTION 4.18. The Index Agent; Qualifications of the Index Agent.	91
ARTICLE V REVENUES AND FUNDS	91
SECTION 5.01. Establishment of Funds.	91
SECTION 5.02. Pledge and Assignment of Revenues and Rights under the Loan Agreement; Bond Fund.	92
SECTION 5.03. Application of Bond Fund.	93
SECTION 5.04. Investment of Moneys in Funds and Accounts.	94
SECTION 5.05. Draws Upon Credit Facility.....	95
ARTICLE VI PARTICULAR COVENANTS	95
SECTION 6.01. Punctual Payment.	95
SECTION 6.02. Extension of Payment of Bonds.	95
SECTION 6.03. Against Encumbrances.	95
SECTION 6.04. Power to Issue Bonds and Make Pledge and Assignment.....	96
SECTION 6.05. Accounting Records and Financial Statements.	96
SECTION 6.06. Tax Covenants.	96
SECTION 6.07. Amendment of Loan Agreement and Tax Agreement; Other Covenants.	97
SECTION 6.08. Waiver of Laws.	99
SECTION 6.09. Further Assurances.	99
ARTICLE VII EVENTS OF DEFAULT AND REMEDIES OF HOLDERS	99
SECTION 7.01. Events of Default.....	99
SECTION 7.02. Acceleration of Maturities; Other Remedies.	100
SECTION 7.03. Application of Revenues and Other Funds After Default.	101
SECTION 7.04. Bond Trustee to Represent Holders.....	102
SECTION 7.05. Holders' Direction of Proceedings.	103
SECTION 7.06. Limitation on Holders' Right to Sue.	103
SECTION 7.07. Absolute Obligation of the Authority.....	104
SECTION 7.08. Termination of Proceedings.	104
SECTION 7.09. Remedies Not Exclusive.....	104
SECTION 7.10. No Waiver of Default.	104
SECTION 7.11. Rights of the Credit Provider.....	104
ARTICLE VIII THE BOND TRUSTEE	105
SECTION 8.01. Duties, Immunities and Liabilities of Bond Trustee.	105

SECTION 8.02. Merger or Consolidation.....	107
SECTION 8.03. Liability of Bond Trustee.	107
SECTION 8.04. Right of Bond Trustee and the Tender Agent to Rely on Documents.	109
SECTION 8.05. Preservation and Inspection of Documents.	109
SECTION 8.06. Compensation and Indemnification.....	109
SECTION 8.07. Notice to Certain Parties.....	110
SECTION 8.08. Employment of Experts.	110
SECTION 8.09. Not Responsible for Closing Conditions.	110
SECTION 8.10. No Liability for Acts of CHI Trustee.	110
ARTICLE IX MODIFICATION OR AMENDMENT OF BOND INDENTURE	111
SECTION 9.01. Amendments Permitted.	111
SECTION 9.02. Effect of Supplemental Indenture.....	114
SECTION 9.03. Endorsement of Bonds; Preparation of New Bonds.....	114
SECTION 9.04. Amendment of Particular Bonds.	114
ARTICLE X DEFEASANCE.....	115
SECTION 10.01. Discharge of Bond Indenture.	115
SECTION 10.02. Effect of Defeasance.	116
SECTION 10.03. Deposit of Money or Securities with Bond Trustee.....	117
SECTION 10.04. Payment of Bonds After Discharge of Bond Indenture.	118
ARTICLE XI MISCELLANEOUS.....	118
SECTION 11.01. Liability of the Authority Limited to Revenues.....	118
SECTION 11.02. Successor Is Deemed Included in All References to Predecessor.	118
SECTION 11.03. Limitation of Rights to Parties, the Credit Provider, the Liquidity Provider, the Corporation and Holders.....	118
SECTION 11.04. Waiver of Notice.....	119
SECTION 11.05. Destruction of Bonds.	119
SECTION 11.06. Severability of Invalid Provisions.....	119
SECTION 11.07. Notices.	119
SECTION 11.08. Evidence of Rights of Holders.....	121
SECTION 11.09. Disqualified Bonds.....	122
SECTION 11.10. Money Held for Particular Bonds.	122
SECTION 11.11. Funds and Accounts.	122
SECTION 11.12. Waiver of Personal Liability.....	123
SECTION 11.13. Execution in Several Counterparts.....	123
SECTION 11.14. Governing Law.	123
SECTION 11.15. Business Days.	123
SECTION 11.16. Bond Indenture is a "Security Agreement."	123
SECTION 11.17. Concerning the Liquidity Provider and Credit Provider.....	123
SECTION 11.18. Terms of Bond Indenture to Govern.....	125

Exhibit A – Form of Bonds

Exhibit B – Definitions and Auction Procedures

Exhibit C – RTV Rate Provisions and Definitions
Exhibit D – Form of Direct Purchase Period Conversion Notice
Exhibit E – Form of Investment Letter

BOND TRUST INDENTURE

This BOND TRUST INDENTURE (the "Bond Indenture") is made and entered into as of August 11, 2015, by and between the WASHINGTON HEALTH CARE FACILITIES AUTHORITY (the "Authority"), a public body corporate and politic and an agency of the State of Washington (the "State"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (the "Bond Trustee"), a national banking association organized and existing under the laws of the United States of America and qualified to accept and administer the trusts hereby created;

WITNESSETH:

WHEREAS, pursuant to the Act, the Legislature of the State created the Authority and authorized it to issue special fund revenue bonds and to make the proceeds thereof available to the operators of nonprofit health care facilities for the purpose of minimizing the costs of providing such facilities and minimizing the costs to the public of the use thereof; and

WHEREAS, the Corporation, acting for the benefit of FHS, has applied to the Authority for financial assistance in a total principal amount not to exceed \$51,900,000 for the Refunding Plan; and

WHEREAS, by motion passed on June 15, 2015, the Authority accepted the Corporation's application for such financial assistance; and

WHEREAS, the financial assistance for the Refunding Plan will be provided through the issuance by the Authority of the Bonds pursuant to this Bond Indenture, and the loan of the proceeds thereof to the Corporation pursuant to the Loan Agreement, and is based upon a total estimated cost of \$51,400,000, or less; and

WHEREAS, on the Date of Issue, the Authority and the Corporation will enter into the Loan Agreement, which requires the Corporation to make or cause to be made Required Bond Payments in amounts and at times sufficient to pay the principal of and interest on the Bonds, other than by reason of optional or extraordinary optional redemption; and

WHEREAS, on the Date of Issue, the Corporation will deliver the Obligation to the Authority to evidence the Corporation's obligation to make the payments required of the Corporation pursuant to the Loan Agreement; and

WHEREAS, the Obligation will be issued and secured under the Capital Obligation Document; and

WHEREAS, the Bonds will be secured by a security interest in and a statutory lien and claim against the money and investments in the Bond Fund; and

WHEREAS, as part of the security for the payment of the Bonds, the Authority will assign all of its rights, title and interest in, to and under the Loan Agreement (subject to certain reservations and exceptions noted in Article IX of the Loan Agreement) and the Obligation to the Bond Trustee, in trust and without recourse; and

WHEREAS, PNC Bank, National Association (the “Original Purchaser”), has offered to purchase all of the Bonds and has executed and delivered the Investment Letter containing certain representations and agreements of the Original Purchaser with respect to the purchase of the Bonds; and

WHEREAS, the Corporation has approved the initial private placement sale of the Bonds to the Original Purchaser and the terms of this Bond Indenture and has authorized the execution and delivery of the Loan Agreement, the Supplement, the Obligation, the initial Index Rate Agreement and the Tax Agreement, and has approved the assignment of the Loan Agreement and the Obligation to the Bond Trustee as security for the Bonds; and

WHEREAS, the Authority has deemed it necessary and advisable for the benefit of the public health of the citizens of this State that the Authority provide the financial assistance for the Refunding Plan requested by the Corporation and, by resolution adopted on July 16, 2015, has approved the Corporation’s application for financial assistance, authorized the execution and delivery of this Bond Indenture, the Loan Agreement and the Tax Agreement, the acceptance of the Obligation, the assignment of the Loan Agreement and the Obligation to the Bond Trustee, and the sale, execution, authentication, issuance and delivery of the Bonds; and

WHEREAS, all things necessary to make the Bonds, when authenticated and issued as provided in this Bond Indenture, valid, binding and legal special fund revenue obligations of the Authority and to constitute this Bond Indenture a valid, binding and legal instrument for the security of the Bonds, enforceable in accordance with its terms, have been done and performed;

NOW, THEREFORE, THIS BOND INDENTURE WITNESSETH, that in order to secure the payment of the Required Bond Payments and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Holders thereof (including, without limitation, the Original Purchaser), and for other valuable consideration, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Bond Trustee, for the benefit of the respective Holders from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Bond Indenture (including the foregoing recitals) and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. Unless otherwise defined in this Bond Indenture, all terms used herein shall have the meanings assigned to such terms in the Act, the Capital Obligation Document or in the Loan Agreement, as the case may be. Definitions of certain terms used herein are included in *Exhibits B and C*.

“Accountant” means any independent certified public accountant or firm of such accountants selected by the Corporation.

“Act” means chapter 70.37 RCW, as now in effect and as it may from time to time hereafter be amended or supplemented.

“Additional Payments” means the payments so designated and required to be made by the Corporation pursuant to Section 4.2 of the Loan Agreement.

“Administrative Fees and Expenses” means any application, commitment, financing or similar fee charged, or reimbursement for administrative or other expenses incurred, by the Authority or the Bond Trustee, including Additional Payments.

“Affiliate” means, with respect to a specified Person, another Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the specified Person, including any directors or officers thereof. A Person shall be deemed to control another Person if such Person directly or indirectly owns more than ten percent (10%) of any class of the voting securities or capital stock of, or equity interests in, such Person or possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

“Amortization End Date” shall have the meaning given such term in the Index Rate Agreement, if applicable.

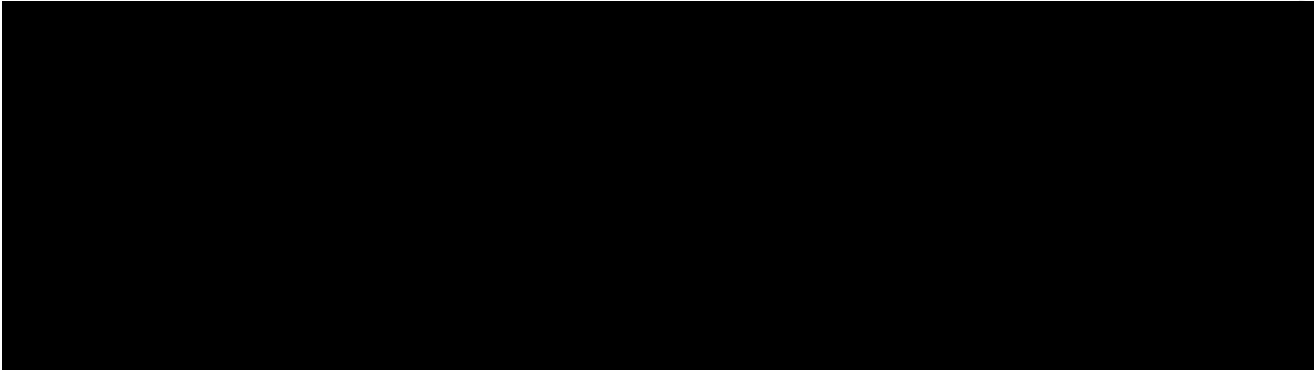
“Applicable Factor” means (a) during the Initial Index Rate Period, [REDACTED] and (b) during any other Index Rate Period, as set forth in Section 2.03(i)(2)(B), at the option of the Corporation, any rate that would allow the Index Rate resulting from application of such Applicable Factor to be a “qualified floating rate” within the meaning of Treas. Reg. Sec. 1.1275-5(c) or successor provision of the Code or Treasury Regulations (currently, a rate that is higher than 0.65 and lower than 1.35).

“Applicable Index” means (a) during the Initial Index Rate Period, LIBOR and (b) during any other Index Rate Period, any of LIBOR, the SIFMA Swap Index or CPI-U, which interest rate index is selected by the Corporation pursuant to Sections 2.03(i)(2)(B), 2.03(i)(4) and 2.03(j)(2) hereof.

“Applicable Spread” means:

(a) During the Initial Index Rate Period, initially [REDACTED], subject to adjustment as specified in the table set forth below;

Notwithstanding the foregoing, the Applicable Spread during the Initial Index Rate Period is subject to the maintenance by the Corporation of the Obligor Ratings. In the event of a change in any Obligor Rating, the Applicable Spread shall be the number of basis points associated with such new Obligor Rating as set forth in the following schedule:



In the event of a split rating (*i.e.*, any of S&P, Moody's or Fitch has assigned an Obligor Rating that is in a different row than the Obligor Rating assigned by either of the other rating agencies), the Applicable Spread shall be the number of basis points associated with the row in which the lowest Obligor Rating appears. If the Obligor Ratings established or deemed to have been established by Moody's, S&P and Fitch shall be changed, such change shall be effective as of the date on which it is first announced by the applicable Rating Agency, irrespective of when notice of such change shall have been furnished by the Corporation to the Index Rate Holders pursuant to this Bond Indenture or otherwise. Each change in the Applicable Spread shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

In the event of the adoption of any new or changed rating system by any of the Rating Agencies after the date of this Bond Indenture, including, without limitation, any recalibration or realignment of the Obligor Rating in connection with the adoption of a "global" rating scale, each rating referred to in the table above shall be deemed to refer to the Rating Category under the new rating system which most closely approximates the applicable Rating Category currently in effect.

(b) With respect to any other Index Rate Period, the number of basis points determined by the Remarketing Agent or the Market Agent, as applicable, on or before the first day of such Index Rate Period as described in Section 2.03(i)(2) hereof (which may include a table for the Applicable Spread based upon the ratings assigned to CHI Parity Debt) that, when added to the Applicable Index and multiplied by the Applicable Factor would equal the minimum interest rate per annum that would enable the Bonds to be sold on the Conversion Date at a price equal to par.

"Auction Bonds" means Bonds that are subject to the provisions of *Exhibit B*.

"Auction Rate Conversion Date" means a day on which the Bonds are converted from Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds, Long-Term Rate Bonds or Index Rate Bonds to Auction Bonds pursuant to Section 2.03(k).

"Auction Rate Period" means each period during which the Bonds are Auction Bonds.

"Authority" means the Washington Health Care Facilities Authority, a public body corporate and politic and an agency of the State which was created by the Act, and any board,

body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority shall be given by law.

“Authorized Denomination” means (a) with respect to Auction Bonds, \$25,000 or any integral multiple thereof, (b) with respect to Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds and RTV Rate Bonds, \$100,000 or any integral multiple of \$5,000 in excess thereof, (c) with respect to FRN Rate Bonds, Fixed Rate Bonds and Long-Term Rate Bonds, \$5,000 or any integral multiple thereof, and (d) with respect to Index Rate Bonds, \$250,000 or any integral multiple of \$5,000 in excess thereof.

“Authorized Representative” means, with respect to the Corporation, the Chairperson of its Governing Body or its chief executive officer or its chief financial officer, or any other person or persons designated as an Authorized Representative of the Corporation by a Certificate of the Corporation signed by the Chairperson of its Governing Body or its chief executive officer or chief financial officer, and filed with the Bond Trustee.

“Available Moneys” means, with respect to Bonds secured by a Credit Facility, (a) moneys derived from drawings or payments under the Credit Facility, if any, and not commingled with any other funds; or (b) moneys held by the Bond Trustee in funds and accounts established under this Bond Indenture for a period of at least one hundred twenty three (123) days (or, if such funds come from an affiliate of the Corporation, for a period of three hundred sixty five (365) days) and not commingled with any moneys so held for less than said period and during which period no petition in bankruptcy was filed by or against, and no receivership, insolvency, assignment for the benefit of creditors, or other similar proceeding has been commenced by or against, the Corporation or the Authority, unless such petition or proceeding was dismissed and all applicable appeal periods have expired without an appeal having been filed; or (c) investment income derived from the investment of moneys described in clause (a) or (b); or (d) moneys as to which the Bond Trustee has received an opinion from a nationally recognized bankruptcy counsel not objected to by the Bond Trustee stating that no disbursement thereof pursuant to this Bond Indenture may be recovered under Section 544, 547, or 550 of the United States Bankruptcy Code.

“Bank Bond” means a Bond (or a beneficial interest therein) that, as more fully described in Section 4.15(d), is purchased (or provided to be purchased) by the Tender Agent pursuant to this Bond Indenture with amounts requested by the Tender Agent and paid or provided by the Liquidity Provider under the Liquidity Facility relating to such Bond (which Bond shall remain a Bank Bond unless and until such Bond ceases to be a Bank Bond as described in Section 2.11).

“Bank Index Rate” means a fluctuating interest rate per annum for each day equal to (a) from and including the Index Rate Purchase Date to and including the 90th day immediately succeeding the Index Rate Purchase Date, the Base Rate as in effect for such day, (b) from and including the 91st day immediately succeeding the Index Rate Purchase Date to and including the 180th day immediately succeeding the Index Rate Purchase Date, the sum of the Base Rate as in effect for such day *plus* [REDACTED] per annum and (c) from the 181st day immediately succeeding the Index Rate Purchase Date and thereafter, the sum of the Base Rate as in effect for

such day *plus* [REDACTED] per annum; provided, however, that if an Event of Default shall have occurred and be continuing, the Bank Index Rate shall be the Default Rate.

“Bank Rate” means the rate of interest borne by a Bank Bond, as specified and/or determined in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond.

“Base Rate” has the meaning set forth in the Index Rate Agreement.

“Bond Fund” means the fund by that name established pursuant to Section 5.01.

“Bond Fund Investment Securities” means securities or other obligations which (a) are Investment Securities and (b) if such Investment Securities have a maturity of more than one year, have a long term rating equal to or higher than the ratings on the Bonds from Standard & Poor’s and Moody’s or, if such Investment Securities have a maturity of less than one year, have a short-term rating of at least “A-1+” by Standard & Poor’s and “P-1” by Moody’s.

“Bond Indenture” means this Bond Trust Indenture, as originally executed and as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

“Bond Trustee” means Wells Fargo Bank, National Association, a national banking association organized and existing under the laws of the United States of America, acting in its capacity as Bond Trustee hereunder, or its successor as trustee hereunder as provided in Section 8.01.

“Bonds” means the WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2015A (Catholic Health Initiatives), in an aggregate principal amount of \$51,400,000, authorized by, and at any time Outstanding pursuant to, this Bond Indenture.

“Business Day” means a day which is not (a) a Saturday, Sunday or legal holiday on which banking institutions in the states where the principal corporate office of the Corporation, the Corporate Trust Office of the Bond Trustee, the office of the Liquidity Provider and/or the Credit Provider, if any, or the office from which draws are to be honored by the same (as set forth in the Liquidity Facility or Credit Facility, as applicable, for funding draws on the Liquidity Facility and draws on the Credit Facility), or the office of the Calculation Agent, the Index Agent or the Index Rate Holder is located are authorized by law or executive order to close, or (b) a day on which the New York Stock Exchange, the Federal Reserve Bank or the Remarketing Agent is closed.

“Calculation Agent” means the Bond Trustee or such other agent designated pursuant to Section 2.18.

“Capital Obligation Document” means that certain Capital Obligation Document dated as of November 1, 1997, by and between the Corporation and the CHI Trustee, as originally executed and as supplemented and amended from time to time by any Supplemental Obligation Document.

“Certificate,” “Statement,” “Request,” “Requisition” and “Order” of the Authority or the Corporation mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the Authority by its Chair, Executive Director, any Assistant Executive Director or such other person as may be designated and authorized to sign for the Authority or in the name of the Corporation by an Authorized Representative of the Corporation. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“CHI Credit Group” means, collectively, those entities that are from time to time members of the CHI Credit Group, as provided and defined in the Capital Obligation Document.

“CHI Parity Debt” means the long-term, unenhanced debt of the CHI Credit Group that is secured and payable on a parity with the Obligation.

“CHI Trustee” means Wells Fargo Bank, National Association, a national banking association organized and existing under the laws of the United States of America, or its successor, as trustee under the Capital Obligation Document.

“Code” means the Internal Revenue Code of 1986, as amended from time to time. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations, relating to such sections that are applicable to the Bonds or the use of the proceeds thereof.

“Consultant” shall mean a firm which is not, and no member, stockholder, director, officer or employee of which is, an officer or employee of the Corporation or the Authority, and which is a professional consultant having the skill and experience necessary to render the particular report required by the provision hereof in which such requirement appears.

“Conversion Date” means an Auction Rate Conversion Date, a Variable Rate Conversion Date, a Short-Term Rate Conversion Date, a Long-Term Rate Conversion Date, an Index Rate Conversion Date, an FRN Rate Conversion Date, a Window Variable-Rate Conversion Date, an RTV Rate Conversion Date or the Fixed Rate Conversion Date.

“Corporate Trust Office” means the designated office or offices of the Bond Trustee at which the corporate trust services relating to the Bonds shall be administered, which on the date hereof is specified in Section 11.07; provided, however, for transfer, registration, exchange, payment and surrender of the Bonds, means the office or agency of the Bond Trustee in Minneapolis, Minnesota, or such other office or offices designated by the Bond Trustee from time to time.

“Corporation” or “CHI” means Catholic Health Initiatives, a nonprofit corporation duly organized and existing under the laws of the State of Colorado, or any entity that is the surviving, resulting or transferee entity in any merger, consolidation or transfer of assets permitted under the Capital Obligation Document.

“Corporation Elective Purchase Date” means the date designated by the Corporation for the purchase of Variable Rate Bonds or Window Variable-Rate Bonds pursuant to Section 4.11(g) or RTV Rate Bonds pursuant to Section 4.11(h).

“Corporation Purchase Account” means the account by that name in each Purchase Fund established pursuant to Section 4.10(a).

“CPI-U” means the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers as released monthly by the U.S. Department of Labor, Bureau of Labor Statistics. If a previously reported CPI-U index rate is revised, the CPI-U will continue to be the previously reported CPI-U for purposes of calculating interest payments. If CPI-U is rebased to a different year during an Index Rate Period or FRN Rate Period, as applicable, Bonds using the CPI-U will continue to use the CPI-U based on the base reference year in effect on the first day of such Index Rate Period or FRN Rate Period, as applicable. If the applicable methodology for computing the CPI-U in effect on the first day of the then-current Index Rate Period or FRN Rate Period, as applicable, is discontinued or altered and if the U.S. Treasury, in response to such discontinuance or alteration, substitutes an alternative index, and associated method of application (“Substitute Index and Methodology”), for the CPI-U for purposes of calculation of the inflation adjustment for the Treasury Inflation-Protection Securities, Bonds using the CPI-U will use the Substitute Index and Methodology for calculating the Index Rate or FRN Rate, as applicable, for such Bonds. Typically the CPI-U for a particular month is reported by the last date of the following month. If the CPI-U for a particular month is not reported by the last day of the following month, the U.S. Treasury has indicated it will announce an index number based on the last available twelve-month change in the CPI-U. Any calculations of interest on the Bonds that rely on that month’s CPI-U will be based on the index number that the U.S. Treasury has announced. This index number will be used for all subsequent calculations that rely on that month’s index number and will not be replaced by the actual CPI-U when it is reported.

“Credit Facility” means an irrevocable direct-pay letter of credit or similar instrument, issued by a commercial bank or other financial institution with respect to the Bonds and delivered to the Bond Trustee pursuant to Section 4.17 (or, in the event of the delivery of a substitute or replacement of an existing Credit Facility, such substitute or replacement Credit Facility).

“Credit Facility Agreement” means, with respect to a Credit Facility then in effect, the separate agreement, if any, under and pursuant to which such Credit Facility is issued (it being understood and acknowledged that there may but need not be a Credit Facility Agreement with respect to a Credit Facility).

“Credit Facility Date” means a date on which a Credit Facility is accepted by the Bond Trustee and becomes effective with respect to the Bonds in accordance with Section 4.17. The date of any renewal or extension of the Expiration Date of a Credit Facility then in effect shall not be considered to be a Credit Facility Date for purposes of this Bond Indenture.

“Credit Provider” means, with respect to a Credit Facility then in effect, the Person or Persons that are obligated to advance funds under and in accordance with such Credit Facility.

“Daily Interest Period” means each period during which a particular Daily Rate is in effect with respect to the Bonds pursuant to Section 2.03(b).

“Daily Rate” means an interest rate for the Bonds that is determined on each Business Day pursuant to Section 2.03(b).

“Daily Rate Bonds” means Bonds that bear interest at a Daily Rate.

“Daily Rate Conversion Date” means a day on which interest on the Bonds begins to accrue at a Daily Rate following conversion pursuant to Section 2.05(b) or Section 2.03(j).

“Daily Rate Period” means each period during which the Bonds are Daily Rate Bonds.

“Date of Issue” means August 11, 2015.

“Default Rate” means for any day, a per annum rate of interest equal to the lesser of (a) the sum of the Base Rate in effect on such day *plus* [REDACTED], or (b) the Maximum Rate.

“Defeasance Securities” means (a) direct obligations of (including obligations issued or held in book-entry form on the books of the Department of Treasury of), or obligations the timely payment of the principal of and interest on which is fully guaranteed by, the United States of America, or (b) any Investment Securities that, as of the date of their deposit pursuant to Article X hereof, may be used for the defeasance of the Bonds in accordance with State law.

“Determination of Taxability” means and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the Corporation files any statement, supplemental statement or other tax schedule, return or document that discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Holder or former Holder notifies the Authority and the Corporation that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the Authority and the Corporation of such notification from the Holder or former Holder, the Corporation shall deliver to the Holder or former Holder a ruling or determination letter issued to or on behalf of the Authority or the Corporation by the Commissioner or any District Director of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the Authority or the Corporation shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service or the Director of

Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the Corporation, or upon any review or audit of the Corporation or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on that date when the Corporation shall receive notice from the Holder or former Holder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Holder or former Holder the interest on any Bonds due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) hereunder unless the Corporation has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; *provided further, however*, that upon demand from the Holder or former Holder, the Authority shall promptly reimburse, but solely from payments made by the Corporation, the Holder or former Holder for any payments, including any taxes, interest, penalties or other charges, the Holder or former Holder shall be obligated to make as a result of the Determination of Taxability.

“Direct Purchase Period Conversion” and **“Direct Purchase Period Conversion Notice”** are defined in Section 2.03(i)(B) hereof.

“Electronic Notice” means a notice transmitted through email, facsimile or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

“Eligible Bonds” means any Bonds other than Bank Bonds or Bonds owned by or for the account of, or on behalf of, the Corporation or any affiliate of the Corporation.

“Escheat Period” means the period of time commencing on the date fixed for purchase, payment or redemption of the principal of or interest on any Bonds and ending on the date which is six months prior to the period of time set forth under the governing statute regarding escheatment of funds.

“Ethical and Religious Directives” means Ethical and Religious Directives for Catholic Health Care Services, as promulgated from time to time by the United States Conference of Catholic Bishops of the Roman Catholic Church. If the United States Conference of Catholic Bishops shall cease to exist, “Ethical and Religious Directives” shall mean such similar directives promulgated by its successor organization, or by such organization then exercising its powers and duties, or by the Roman Catholic Church.

“Event of Default” means any of the events specified in Section 7.01.

“Event of Taxability” means a change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Corporation or the Authority, or the failure to take any action by the Corporation or the Authority, or the making by the Corporation or the Authority of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bonds) that has the effect of causing interest paid or payable on the Bonds to become includable, in whole or in part, in the gross income of the Holder or former Holder for federal income tax purposes.

“Expiration Date” means the earlier of the Stated Expiration Date or any date upon which a Liquidity Facility or Credit Facility expires in accordance with its terms (taking into account any extensions of such Stated Expiration Date), other than any date that is also a Termination Date or a Conversion Date.

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Index Agent or the Calculation Agent, as applicable, from three Federal funds brokers of recognized standing selected by it; provided, that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Bond Indenture.

“FHS” means Franciscan Health System, formerly known as Franciscan Health System-West, a nonprofit corporation duly organized and existing under the laws of the State.

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

“Fixed Rate” means the interest rate or rates for the Bonds determined pursuant to Section 2.04.

“Fixed Rate Bonds” means Bonds that bear interest at a Fixed Rate.

“Fixed Rate Conversion Date” means the day on which the interest rate on the Bonds is converted to the Fixed Rate.

“FRN Interest Period” means each period during which a particular FRN Rate is in effect with respect to the Bonds pursuant to Section 2.03(f).

“FRN Index” means any of the SIFMA Swap Index, LIBOR (and, if LIBOR, the length of the applicable LIBOR interest period) or CPI-U, which interest rate index (and, if LIBOR, the length of the applicable LIBOR interest period) is selected by the Corporation in consultation with the Remarketing Agent not less than five Business Days prior to the FRN Rate Conversion Date.

“FRN Rate” means, with respect to the FRN Rate Bonds in a particular FRN Rate Period, the per annum interest rate for such Bonds during such FRN Rate Period which is equal to the sum of (a) the FRN Index and (b) the FRN Spread.

“FRN Rate Bonds” means Bonds which bear interest at an FRN Rate.

“FRN Rate Conversion Date” means, with respect to the FRN Rate Bonds, a day on which interest begins to accrue on the Bonds at an FRN Rate following conversion pursuant to Section 2.05(b) or Section 2.03(j).

“FRN Rate Determination Date” means, with respect to any FRN Rate Bonds, the day on which an FRN Rate is determined for each FRN Interest Period; the FRN Rate Determination Date for each FRN Rate Period is determined by the Remarketing Agent prior to the applicable FRN Rate Conversion Date, pursuant to Section 2.03(f).

“FRN Rate Hard Put Bonds” means those FRN Rate Bonds that are required to be purchased on an FRN Rate Hard Put Mandatory Purchase Date.

“FRN Rate Hard Put Mandatory Purchase Date” means, with respect to the FRN Rate Hard Put Bonds, the first day following the last day of each FRN Rate Period.

“FRN Rate Mandatory Purchase Date” means, with respect to the FRN Rate Bonds, each FRN Rate Hard Put Mandatory Purchase Date and FRN Rate Soft Put Mandatory Purchase Date.

“FRN Rate Period” means each period during which the Bonds are FRN Rate Bonds.

“FRN Rate Soft Put Bonds” means any FRN Rate Bonds that are required to be purchased on an FRN Rate Soft Put Mandatory Purchase Date only to the extent that (a) remarketing proceeds, (b) funds made available from a Liquidity Facility or (c) other amounts made available by the Corporation, in its sole discretion, are available for such purchase.

“FRN Rate Soft Put Mandatory Purchase Date” means, with respect to the FRN Rate Soft Put Bonds, the first day following the last day of each FRN Rate Period.

“FRN Spread” means the spread determined by the Remarketing Agent prior to the commencement of an FRN Rate Period based on the relative spreads of securities that bear interest at a SIFMA-indexed variable rate or indexed variable rate that, in the reasonable judgment of the Remarketing Agent, are otherwise comparable to the Bonds or affecting the market for the Bonds or affecting such other comparable securities in a manner which, in the reasonable judgment of the Remarketing Agent, will affect the market for the Bonds (assuming for these purposes that the Bonds were to bear interest at FRN Rates for a particular FRN Rate Period).

“Governing Body” means, when used with respect to the Corporation, its Board of Stewardship Trustees, its board of directors, its board of trustees or a similar group in which the right to exercise the powers of corporate directors or trustees is vested, or an executive

committee of such board, or any duly authorized committee of such board to which the relevant powers of such board have been lawfully delegated.

“Harrison” means Harrison Medical Center, formerly known as Harrison Memorial Hospital, a nonprofit corporation duly organized and existing under the laws of the State.

“Health Care Facility” means “health care facility,” as defined in the Act.

“Highline” means Highline Medical Center, a nonprofit corporation duly organized and existing under the laws of the State.

“Holder” means, whenever used herein with respect to a Bond, the Person in whose name such Bond is registered.

“Impacted Interest Period” shall have the meaning assigned to it in the definition of “LIBOR.”

“Index Agent” means (a) during the Initial Index Rate Period, the Original Purchaser; and (b) during any other Index Rate Period, the Person designated as such by the Corporation by notice to the Authority and the Bond Trustee prior to the commencement of such Index Rate Period.

“Index Interest Period” means (a) during the Initial Index Rate Period, the period from and including the Date of Issue to (but excluding) the first Interest Payment Date thereafter, and thereafter, shall mean the period from (and including) an Interest Payment Date to (but excluding) the following Interest Payment Date; and (b) during any other Index Rate Period, the period from (and including) the Index Rate Conversion Date to (but excluding) the first Interest Payment Date thereafter, and thereafter shall mean the period from (and including) an Interest Payment Date to (but excluding) the following Interest Payment Date.

“Index Rate” means, with respect to Index Rate Bonds (a) during the Initial Index Rate Period, means the per annum interest rate equal to the sum of (i) the product of the Applicable Factor and LIBOR and (ii) the Applicable Spread; and (b) during any other Index Rate Period, the interest rate for such Bonds that is determined pursuant to Section 2.03(i).

“Index Rate Agreement” means (a) during the Initial Index Rate Period, the Continuing Covenant Agreement dated the date hereof between the Corporation and the Original Purchaser, as the same may be amended from time to time pursuant to the terms thereof and (b) during any other Index Rate Period, an agreement between the Corporation and the applicable purchaser of the Index Rate Bonds, pursuant to which such purchaser agrees to purchase the Bonds for an Index Rate Period, as the same may be amended from time to time pursuant to the terms thereof.

“Index Rate Bonds” means Bonds that bear interest at an Index Rate (and including any Unremarketed Bonds).

“Index Rate Conversion Date” means a day on which interest on the Bonds begins to accrue at an Index Rate following conversion pursuant to Section 2.03(j) or Section 2.05(b).

“Index Rate Determination Date” means (a) when the Index Rate is based on LIBOR, the date that is two London Business Days preceding each Index Rate Reset Date and (b) when the Index Rate is based on SIFMA or CPI-U, the date required by the Index Rate Agreement.

“Index Rate Holder” during any Index Rate Period, (a) while there is only one Holder of Bonds and the Bonds are not registered in the name of the Nominee, means the Holder of the Bonds; (b) if there is more than one Holder of the Bonds and the Bonds are not registered in the name of the Nominee, means Holders owning a majority of the aggregate principal amount of the Bonds then Outstanding; (c) if the Bonds are registered in the name of the Nominee and there is a single beneficial owner of all of the Bonds, means the beneficial owner of the Bonds; and (d) if the Bonds are registered in the name of the Nominee and there is more than one beneficial owner of the Bonds, means beneficial owners who are the beneficial owners of a majority of the aggregate principal amount of the Bonds then Outstanding. The initial Index Rate Holder is the Original Purchaser, and any successors and assigns permitted under the terms of the Index Rate Agreement.

“Index Rate Holder Affiliate” means any Affiliate of the Index Rate Holder.

“Index Rate Period” means each period from and including an Index Rate Conversion Date (or the Date of Issue with respect to the Initial Index Rate Period) to but excluding the earliest of (a) the immediately succeeding Index Rate Purchase Date or, for Unremarketed Bonds, the Amortization End Date, (b) a Conversion Date and (c) the maturity date for the Bonds or date of earlier redemption in full of the Bonds.

“Index Rate Purchase Date” means (a) the Initial Index Rate Purchase Date and (b) with respect to any Index Rate Period, (i) the day following the last day of such Index Rate Period as specified by the Corporation in the notice given pursuant to Section 2.03(i)(2) and (ii) the effective date of any change in the length of an Index Rate Period pursuant to Section 2.03(i)(3).

“Index Rate Reset Date” means (a) when the Index Rate is based on LIBOR, the first Business Day of each month and (b) when the Index Rate is based on SIFMA or CPI-U, the date required by the Index Rate Agreement.

“Initial Index Rate Period” means the period from and including the Date of Issue to but excluding the earlier of (a) the immediately succeeding Index Rate Purchase Date and (b) a Conversion Date.

“Initial Index Rate Purchase Date” means August 3, 2024.

“Interest Payment Date” means:

(a) With respect to Variable Rate Bonds, Index Rate Bonds and RTV Rate Bonds, the first Business Day of each month;

(b) With respect to Short-Term Rate Bonds, the first Business Day after the last day of each Short-Term Rate Period;

(c) With respect to Long-Term Rate Bonds, each Payment Date and the first day after the last day of each Long-Term Interest Period;

(d) With respect to Auction Bonds, has the meaning set forth in *Exhibit B* attached hereto;

(e) With respect to Window Variable-Rate Bonds, the first Thursday of each calendar month, or if the first Thursday is not a Business Day, the next succeeding Business Day;

(f) With respect to FRN Rate Bonds, the first Business Day of each month;

(g) With respect to Fixed Rate Bonds, each Payment Date;

(h) The maturity date for the Bonds;

(i) With respect to each Bank Bond, has the meaning set forth in the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond;

(j) With respect to Unremarketed Bonds, has the meaning set forth in the Index Rate Agreement; and

(k) Any day that is a Conversion Date for the Bonds.

“Interest Payment Period” means the period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date.

“Interest Rate Mode” means a Daily Rate Period, Two-Day Rate Period, Weekly Rate Period, Short-Term Rate Period, Index Rate Period, FRN Rate Period, Long-Term Rate Period, Window Variable-Rate Period, RTV Rate Period, an Auction Rate Period or the period when the Bonds are Fixed Rate Bonds.

“Interpolated Rate” means, at any time, for a one month period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) determined by the Index Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period for which the LIBO Screen Rate is available that is shorter than the Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period for which that LIBO Screen Rate is available that exceeds the Impacted Interest Period, in each case, at such time.

“Investment Letter” means an Investment Letter in substantially the form of *Exhibit E*, which is incorporated herein by this reference.

“Investment Securities” means any of the following that at the time are legal investments under the laws of the State for moneys held hereunder and then proposed to be invested therein:

(a) Direct obligations (including obligations issued or held in book-entry form on the books of the Department of Treasury) of, or obligations the timely payment of the principal of and interest on which is fully guaranteed by, the United States of America;

(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or any other like governmental or government-sponsored agencies that are hereafter created: Federal Farm Credit Bank; Federal Intermediate Credit Banks; Federal Financing Bank; Federal Home Loan Bank System; Federal Home Loan Mortgage Corporation; Federal National Mortgage Association; Tennessee Valley Authority; Student Loan Marketing Association; Export-Import Bank of the United States; Farmers Home Administration; Small Business Administration; Inter-American Development Bank; International Bank for Reconstruction and Development; Federal Land Banks; and Government National Mortgage Association;

(c) Direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any corporation, if such obligations are rated at the time of purchase in one of the two highest Rating Categories by each Rating Agency then rating both the Bonds and such obligations (but in all cases by at least one Rating Agency then rating the Bonds);

(d) Commercial paper rated at the time of purchase in the highest Rating Category by each Rating Agency then rating both the Bonds and such commercial paper (but in all cases by at least one Rating Agency then rating the Bonds);

(e) Negotiable or non-negotiable certificates of deposit, time deposits, or other similar banking arrangements, issued by any bank or trust company or any savings and loan association, and either (i) the long-term obligations of such bank or trust company are rated at the time of investment in the highest Rating Category by each Rating Agency then rating both the Bonds and such obligations (but in all events by at least one Rating Agency then rating the Bonds), or (ii) the deposits or other arrangements are continuously secured as to principal, but only to the extent not insured by the Federal Deposit Insurance Corporation or similar corporation chartered by the United States of America, (1) by depositing with a bank or trust company, as collateral security, obligations described in paragraph (a) or (b) above in an aggregate principal amount equal to at least 105% of the amount so deposited or, with the approval of the Bond Trustee, other marketable securities eligible as securities for the deposit of trust funds under applicable regulations of the Comptroller of the Currency of the United States or applicable state law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (2) if the furnishing of security as provided in clause (1) of this paragraph is not permitted by applicable law, in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds;

(f) Repurchase agreements with respect to obligations listed in paragraph (a) or (b) above if entered into with a bank, a trust company or a broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) that is a dealer in government bonds, that reports to, trades with and is recognized as a primary dealer by a Federal Reserve Bank, if such obligations that are the subject of such repurchase agreement are delivered to the Bond Trustee

or are supported by a safekeeping receipt issued by a depository (other than the Bond Trustee) satisfactory to the Bond Trustee, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than monthly, of not less than the repurchase price;

(g) Shares or certificates in any short-term investment fund that is maintained or utilized by the Bond Trustee and which fund invests solely in other Investment Securities;

(h) Investment agreements with any financial institution that at the time of execution of the investment agreement has long-term obligations rated in one of the three highest Rating Categories by each Rating Agency then rating both the Bonds and such investment agreements and providing a long-term rating on the Bonds (but in all cases by at least one Rating Agency then rating the Bonds);

(i) Shares or certificates in any mutual fund invested solely in Investment Securities described in clauses (a) through (h) of this definition;

(j) Any obligations of any corporation, partnership, trust or other entity which are rated at the time of purchase in one of the two highest Rating Categories by each Rating Agency then rating both the Bonds and such obligations (but in all cases by at least one Rating Agency then rating the Bonds); and

(k) Any other securities, investments, investment agreements or other obligations specified by the Corporation to the Bond Trustee in writing.

“LIBO Screen Rate” shall have the meaning assigned to it in the definition of “LIBOR.”

“LIBOR” means (a) during the Initial Index Rate Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for U.S. Dollars for a one month period as displayed on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Index Agent in its reasonable discretion; in each case the “LIBO Screen Rate”) at approximately 11:00 a.m., London time, on the Index Rate Determination Date; provided that if the LIBO Screen Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Bond Indenture; provided further that if the LIBO Screen Rate shall not be available at such time (an “Impacted Interest Period”) then LIBOR shall be the Interpolated Rate; provided that if any Interpolated Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Bond Indenture; and (b) at any other time, means the rate per annum determined on the basis of the rate of deposits in United States dollars of amounts equal to or comparable to the principal amount of the Index Rate Bonds or FRN Rate Bonds, as applicable, offered for a term of one month, three months or six months (such term to be selected by the Corporation as provided in Section 2.03(i)) which rate appears on the Reuters Screen LIBOR01 Page (or if not available on such page, another page of this or any other financial reporting service in general use in the financial services industry) as of 11:00 a.m., London, England time, on each Index Rate Determination Date or FRN Rate

Determination Date, as applicable, or if a LIBOR Failure has occurred, then “LIBOR” means the LIBOR Alternative Rate.

“LIBOR Alternative Rate” means the greater of (a) the Prime Rate and (b) the Federal Funds Effective Rate plus [REDACTED]

“LIBOR Failure” means that the Index Agent has made a determination at the direction of the Holder(s) of a majority in principal amount of the Index Rate Bonds or FRN Rate Bonds, as applicable, then Outstanding (which determination shall be conclusive and binding, absent manifest error) that (a) dollar deposits in an amount approximately equal to the aggregate unpaid principal amount of: (i) the Index Rate Bonds for the designated Index Rate Period or (ii) the FRN Rate Bonds for the designated FRN Rate Period, as applicable, are not generally available at such time in the London interbank market for deposits in dollars, (b) adequate and reasonable means do not exist for ascertaining LIBOR, or (c) it is illegal or unlawful for the Bonds to bear interest in reference to LIBOR.

“Liquidity Account” means the account by that name in each Purchase Fund established pursuant to Section 4.10(a).

“Liquidity Facility” means a letter of credit, line of credit, bond purchase agreement, insurance policy or other similar agreement that provides for the purchase of, or the funding of amounts to purchase, Bonds subject to purchase on Purchase Dates issued and delivered with respect to the Bonds pursuant to Section 4.17 (or, in the event of the delivery of a substitute or replacement of an existing Liquidity Facility, such substitute or replacement Liquidity Facility). The portion of the Credit Facility that provides for the purchase of, or the funding of amounts to purchase, the Bonds is included in the definition of Liquidity Facility.

“Liquidity Facility Agreement” means, with respect to a Liquidity Facility then in effect, the separate agreement, if any, under and pursuant to which such Liquidity Facility is issued (it being understood and acknowledged that there may, but need not, be a Liquidity Facility Agreement with respect to a Liquidity Facility).

“Liquidity Facility Date” means a date on which a Liquidity Facility is accepted by the Tender Agent and becomes effective with respect to the Bonds in accordance with Section 4.17. The date of any renewal or extension of the Expiration Date of a Liquidity Facility then in effect shall not be considered to be a Liquidity Facility Date for purposes of this Bond Indenture.

“Liquidity Facility Request” has the meaning assigned to that term in Section 4.10(c).

“Liquidity Payments” means, collectively, (a) the Required Liquidity Payments required to be made by the Corporation with respect to the Purchase Price of the Bonds pursuant to Section 4.1(b) of the Loan Agreement and (b) the Optional Liquidity Payments that may be made by the Corporation with respect to the Purchase Price of the Bonds pursuant to Section 4.1(c) of the Loan Agreement.

“Liquidity Provider” means, with respect to a Liquidity Facility then in effect, the Person or Persons that are obligated to purchase, or to advance funds to provide for the purchase of, Bonds under and in accordance with such Liquidity Facility.

“Loan” means the loan of the proceeds of the Bonds from the Authority to the Corporation made pursuant to the Loan Agreement.

“Loan Agreement” means that certain Loan and Security Agreement dated as of the Date of Issue, by and between the Authority and the Corporation relating to the Bonds, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Bond Indenture.

“Loan Default Event” means any of the events specified in Section 7.1 of the Loan Agreement.

“Loan Repayments” means the payments so designated and required to be made by the Corporation pursuant to Section 4.1(a) of the Loan Agreement.

“London Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, England.

“Long-Term Interest Period” means each period during which a particular Long-Term Rate is in effect with respect to the Bonds pursuant to Section 2.03(g)(1).

“Long-Term Rate” means an interest rate for the Bonds that is determined for a term of at least 12 months for the Bonds pursuant to Section 2.03(g).

“Long-Term Rate Bonds” means Bonds which bear interest at a Long-Term Rate.

“Long-Term Rate Conversion Date” means a day on which interest begins to accrue on the Bonds at a Long-Term Rate following conversion pursuant to Section 2.05 or Section 2.03(j); provided, that if the Bonds have previously borne interest at the Long Term Rate during a Long-Term Rate Period then ending, the “Long-Term Rate Conversion Date” means the Long-Term Rate Mandatory Purchase Date occurring at the end of the then ending Long-Term Rate Period.

“Long-Term Rate Mandatory Purchase Date” means the first day after the last day of each Long-Term Interest Period.

“Long-Term Rate Period” means a period during which the Bonds are Long-Term Rate Bonds.

“Mandatory Purchase Window” means, during a Window Variable-Rate Period, (a) 210 days, or (b) such other number of days specified by the Remarketing Agent, with the consent of the Corporation, in a written notice to the Bond Trustee, the Tender Agent and the Liquidity Provider (if any). Any change in the Mandatory Purchase Window shall become effective only at the commencement of a Window Variable-Rate Period, on a Window Variable-Rate Mandatory Purchase Date or any other mandatory tender for purchase for all of the Bonds that occurs pursuant to Section 4.11 during such Window Variable-Rate Period.

“Mandatory Sinking Account Payment” means the amount required by this Bond Indenture to be paid by the Authority on any single date for the retirement of Bonds pursuant to Section 4.01(j).

“Market Agent” means any Person with experience and familiarity with the pricing of tax-exempt debt obligations appointed by the Corporation to serve as market agent in connection with a conversion to an Index Rate Period.

“Maximum Rate” means the lesser of (a) (1) 12% per annum with respect to Bonds other than Auction Bonds, Bank Bonds, Index Rate Bonds or RTV Rate Bonds bearing interest at an RTV Weekly Rate, (2) 15% per annum with respect to Auction Bonds, (3) 10% per annum with respect to RTV Rate Bonds bearing interest at an RTV Weekly Rate, or (4) 25% per annum or such lesser rate specified in the Liquidity Facility (with respect to Bank Bonds) or the Index Rate Agreement (with respect to Index Rate Bonds) or (b) the maximum nonusurious lawful rate of interest permitted by applicable law.

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

“Nominee” means the nominee of the Securities Depository (currently Cede & Co.), which may be the Securities Depository, or any nominee substituted by the Securities Depository pursuant to Section 2.12.

“Obligation” means Catholic Health Initiatives, Obligation No. 287 (Washington Health Care Facilities Authority), dated as of the Date of Issue and issued under the Capital Obligation Document and the Supplement.

“Obligor Rating” means the long-term, unenhanced credit rating(s) from time to time established by the Rating Agencies on the CHI Parity Debt.

“Opinion of Bond Counsel” means a written opinion of counsel experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds (who may be counsel for the Authority or the Corporation) selected by the Corporation, the Authority or the Bond Trustee, which opinion may, in the discretion of such counsel, be based upon, and subject to the same exceptions and qualifications as, the Opinion of Bond Counsel delivered in connection with the original issuance of the Bonds.

“Opinion of Counsel” means a written opinion of counsel (who may be counsel for the Authority or the Corporation) selected by the Authority, the Corporation or the Bond Trustee.

“Optional Liquidity Payments” has the meaning provided in Section 4.1 of the Loan Agreement.

“Original Purchaser” means PNC Bank, National Association, as the initial purchaser of the Bonds from the Authority.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.09) all Bonds theretofore, or thereupon being, authenticated and delivered by the Bond Trustee under this Bond Indenture except:

(a) Bonds theretofore canceled by the Bond Trustee or delivered to the Bond Trustee for cancellation;

(b) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.02, including Bonds (or portions of Bonds) referred to in Section 11.10;

(c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Bond Trustee pursuant to this Bond Indenture; and

(d) Undelivered Bonds.

“Payment Date” means, with respect to Long-Term Rate Bonds and Fixed Rate Bonds, March 1 and September 1 of each year.

“Person” means any natural person, firm, joint venture, association, partnership, business, trust, corporation, limited liability company, public body, agency or political subdivision thereof or any other similar entity.

“Prime Rate” means, for any day, the rate of interest per annum identified as the “prime rate” for such day in the print edition of The Wall Street Journal; provided, however, that if the print edition of The Wall Street Journal is not published on a day or if the “prime rate” is not published in the print edition of the Wall Street Journal on that day, the “Prime Rate” shall be the “prime rate” published in the online edition of The Wall Street Journal on that day; and provided, further, that if no “prime rate” is published for any day in either edition of The Wall Street Journal (whether by reason of such day not being a Business Day or otherwise), The Wall Street Journal for the next preceding day for which the “prime rate” was published in The Wall Street Journal shall be the “Prime Rate” for such day; and provided further, however, that if more than one rate of interest per annum is published in The Wall Street Journal as the “prime rate” or “prime rates” for any applicable day, or in the event of any inconsistency between the “prime rates” published in the print and online editions, the “Prime Rate” for such day shall be the highest of such rates of interest that are so published in The Wall Street Journal.

“Principal Payment Date” means March 1 of each year in which principal is to be paid with respect to the Bonds as set forth in this Bond Indenture (whether by reason of maturity, redemption (whether pursuant to Mandatory Sinking Account Payments or otherwise) or acceleration).

“Project Facilities” means those certain Health Care Facilities financed or refinanced, in whole or in part, with the proceeds of the Bonds.

“Purchase Date” means each date on which Variable Rate Bonds, RTV Rate Bonds and Window Variable-Rate Bonds are subject to optional or mandatory purchase, and each date on

which Auction Bonds, FRN Rate Bonds, Short-Term Rate Bonds, Index Rate Bonds and Long-Term Rate Bonds are subject to mandatory purchase, pursuant to Section 4.09, Section 4.11(a) and *Exhibit C* of this Bond Indenture.

“Purchase Fund” means the fund by that name established pursuant to Section 4.10(a) of this Bond Indenture, including the accounts therein.

“Purchase Price” means, with respect to a Variable Rate Bond, an FRN Rate Bond, a Window Variable-Rate Bond, an RTV Rate Bond, a Short-Term Rate Bond, an Index Rate Bond or a Long-Term Rate Bond subject to purchase on a Purchase Date, an amount equal to the principal amount thereof plus, if such Purchase Date is not an Interest Payment Date therefor, accrued and unpaid interest thereon to such Purchase Date.

“Rating Agency” means Moody’s, Fitch and/or Standard & Poor’s and any other Person now or hereafter created meeting the criteria established by the Securities and Exchange Commission as a “rating agency.” During the Index Rate Period, the Index Rate Holder shall have the right to approve the applicable Rating Agency.

“Rating Category” means one of the general rating categories of any Rating Agency, without regard to any refinement or gradation of such Rating Category by a numerical modifier or otherwise.

“Record Date,” with respect to any Interest Payment Date, (a) with respect to Auction Bonds, has the meaning set forth in *Exhibit B* attached hereto, (b) with respect to Variable Rate Bonds, FRN Rate Bonds, Index Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Short-Term Rate Bonds, means the Business Day immediately preceding such Interest Payment Date, and (c) with respect to Long-Term Rate Bonds or Fixed Rate Bonds, means the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a Business Day.

“Redemption Price” means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion thereof) payable upon redemption thereof pursuant to the provisions of such Bond and this Bond Indenture.

“Refunding Plan” means:

- (a) The refunding, on a current basis, and redemption of all of the outstanding Series 2002B Bonds; and
- (b) The payment of costs of issuing the Bonds.

“Remarketing Account” means the account by that name in each Purchase Fund established pursuant to Section 4.10(a).

“Remarketing Agent” means any remarketing agent appointed with respect to the Bonds pursuant to Section 4.13 or any successor thereto appointed pursuant to Section 4.13.

“Remarketing Agreement” means any remarketing agreement entered into among the Authority, the Corporation and a Remarketing Agent with respect to the Bonds in conjunction with a Variable Rate Conversion Date, a Short-Term Rate Conversion Date, an FRN Rate Conversion Date, a Window Variable-Rate Conversion Date, an RTV Rate Conversion Date or a Long-Term Rate Conversion Date, in each case, as such agreement may from time to time be amended or supplemented in accordance with its terms and the terms of the Liquidity Facility, if any, or the related Liquidity Facility Agreement.

“Remarketing Payment Amount” has the meaning provided in Section 4.15(d)(2).

“Required Bond Payments” means all payments of (a) principal or Redemption Price of the Bonds (including Mandatory Sinking Account Payments) when and as the same become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, (b) each installment of interest on any Bond when and as the same shall become due and payable, and (c) Purchase Price of any Bond by mandatory or optional tender when required to be paid under this Bond Indenture.

“Required Liquidity Payments” has the meaning provided in Section 4.1 of the Loan Agreement.

“Required Stated Amount” means an amount equal to the aggregate principal amount of all Bonds then Outstanding that are secured by a Credit Facility together with interest accruing thereon for the period specified in a Certificate of the Corporation to be the minimum period specified by the Rating Agencies then rating such Bonds as necessary to obtain (or maintain) a specified short-term rating of the Bonds.

“Revenues” means all amounts received by the Authority or the Bond Trustee pursuant or with respect to the Loan Agreement or the Obligation, including, without limiting the generality of the foregoing:

- (a) Loan Repayments (including both timely and delinquent payments and any late charges), regardless of the source of payment;
- (b) Prepayments of all or any part of the Loan Repayments;
- (c) All interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Bond Indenture; and
- (d) Liquidity Payments;

but not including any Administrative Fees and Expenses, amounts payable by the Corporation under Section 5.4 or Section 7.6 of the Loan Agreement or proceeds of any right of indemnification under Section 5.6 of the Loan Agreement or any other Additional Payments.

“RTV Interest Period” means each RTV Weekly Interest Period (as defined in *Exhibit C*) or RTV Extension Period (as defined in *Exhibit C*) in effect with respect to the Bonds during an RTV Rate Period pursuant to *Exhibit C*.

“RTV Rate” means an RTV Weekly Rate or RTV Extension Rate, as applicable, determined pursuant to *Exhibit C*.

“RTV Rate Bonds” means Bonds that bear interest at an RTV Rate determined pursuant to *Exhibit C*.

“RTV Rate Conversion Date” means a day on which interest on the Bonds begins to accrue at an RTV Rate following conversion pursuant to Section 2.05(b) or Section 2.03(j).

“RTV Rate Period” means each period during which the Bonds are RTV Rate Bonds.

“RTV Weekly Rate Bonds” means the Bonds that bear interest at an RTV Weekly Rate (as defined in and determined pursuant to *Exhibit C*).

“Securities Depository” means The Depository Trust Company, and its successors and assigns, or if the then-acting Securities Depository ceases to serve in such capacity, as described in Section 2.12, any other securities depository which agrees to follow the procedures required to be followed by a securities depository in connection with the Bonds that is selected by the Authority with the consent of the Corporation.

“Securities Depository Participants” means those financial institutions for which the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Securities Depository Participants exists at the time of such reference.

“Series 2002B Bond Trustee” means Wells Fargo Bank, National Association (formerly known as Wells Fargo Bank Minnesota, National Association), in its capacity as the bond trustee for the Series 2002B Bonds.

“Series 2002B Bonds” means the WASHINGTON HEALTH CARE FACILITIES AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2002B (Catholic Health Initiatives), originally dated November 7, 2002 and reissued on December 1, 2004.

“Short-Term Interest Period” means each period during which a particular Short-Term Rate is in effect with respect to a particular Short-Term Rate Bond pursuant to Section 2.03(e)(1).

“Short-Term Rate” means, with respect to a particular Short-Term Rate Bond, an interest rate that is determined on a periodic basis for such Short-Term Rate Bond pursuant to Section 2.03(e).

“Short-Term Rate Bonds” means Bonds which bear interest at a Short-Term Rate.

“Short-Term Rate Conversion Date” means a day on which interest begins to accrue on the Bonds at one or more Short-Term Rates following conversion pursuant to Section 2.05(b) or Section 2.03(j).

“Short-Term Rate Mandatory Purchase Date” means the first day after the last day of each Short-Term Interest Period.

“Short-Term Rate Period” means each period during which the Bonds are Short-Term Rate Bonds.

“SIFMA” means the Securities Industry & Financial Markets Association (formerly the Bond Market Association).

“SIFMA Swap Index” means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the Corporation and effective from such date.

“Special Record Date” means the date established by the Bond Trustee pursuant to Section 2.02 as a record date for the payment of defaulted interest on Bonds.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and its successors and assigns.

“State” means the State of Washington.

“Stated Expiration Date” means the date on which a Liquidity Facility or a Credit Facility is scheduled to expire in accordance with its terms, as such date may be extended from time to time in accordance with such Liquidity Facility or Credit Facility or the related Liquidity Facility Agreement or Credit Facility Agreement.

“Stepped Coupon Rate” has the meaning provided in Section 4.12(e).

“Stepped Rate Period” has the meaning provided in Section 4.12(e).

“Supplement” means the Seventy-First Supplemental Obligation Document dated August 11, 2015, by and between the Corporation and the CHI Trustee, pursuant to which the Obligation is issued.

“Supplemental Indenture” means any indenture hereafter duly authorized and entered into between the Authority and the Bond Trustee, supplementing, modifying or amending this Bond Indenture in accordance with Article IX of this Bond Indenture.

“Supplemental Obligation Document” means an indenture amending or supplementing the Capital Obligation Document entered into pursuant to Article VII thereof.

“Supporting Facility Documents” has the meaning provided in Section 4.17(f).

“Tax Agreement” means the Tax Agreement and Nonarbitrage Certificate pertaining to the Bonds, dated the Date of Issue, by and among the Corporation, the Bond Trustee and the

Authority, including any and all exhibits attached thereto, as originally executed and as it may be amended or supplemented from time to time in accordance with its terms.

“Tender Agent” means Wells Fargo Bank, National Association, the tender agent initially appointed pursuant to Section 4.07, or any successor thereto appointed pursuant to Section 4.08.

“Termination Date” means the date that is seven calendar days (or, if such seventh calendar day is not a Business Day, the next Business Day) after the date on which the Bond Trustee receives written notice from (a) a Liquidity Provider or a Credit Provider that (i) advises the Bond Trustee of the occurrence and continuance of an “Event of Default” under and as defined in the applicable Liquidity Facility or Credit Facility or any related Liquidity Facility Agreement or Credit Facility Agreement and (ii) directs the Bond Trustee to cause a mandatory tender of the Bonds by reason of such “Event of Default” or (b) the Corporation that (i) advises the Bond Trustee of its voluntary termination of such Liquidity Facility or Credit Facility and (ii) directs the Bond Trustee to cause a mandatory tender of the Bonds by reason of such termination.

“Two-Day Interest Period” means each period during which a particular Two-Day Rate is in effect with respect to the Bonds pursuant to Section 2.03(c).

“Two-Day Rate” means an interest rate for the Bonds that is determined pursuant to Section 2.03(c).

“Two-Day Rate Bonds” means Bonds that bear interest at a Two-Day Rate.

“Two-Day Rate Conversion Date” means a day on which interest on the Bonds begins to accrue at a Two-Day Rate following conversion pursuant to Section 2.05(b) or Section 2.03(j).

“Two-Day Rate Period” means each period during which the Bonds are Two-Day Rate Bonds.

“Undelivered Bond” means any Variable Rate Bond, Auction Bond, Short-Term Rate Bond, FRN Rate Bond, Index Rate Bond, Window Variable-Rate Bond, RTV Rate Bond or Long-Term Rate Bond which is subject to purchase pursuant to Section 4.09, Section 4.11(a) or *Exhibit C* on a Purchase Date and which is not tendered and delivered for purchase on such Purchase Date but as to which the Tender Agent holds in the Purchase Fund sufficient funds to pay the Purchase Price of such Variable Rate Bond, Auction Bond, Short-Term Rate Bond, FRN Rate Bond, Index Rate Bond, Window Variable-Rate Bond, RTV Rate Bond or Long-Term Rate Bond, as applicable.

“Undelivered Bond Payment Account” means the account by that name in the Purchase Fund established pursuant to Section 4.10(a).

“Unremarketed Bonds” means Index Rate Bonds that, on the applicable Index Rate Purchase Date, (a) have not been successfully converted to another Interest Rate Mode or remarketed to a Person other than the Index Rate Holder and (b) in accordance with the terms and conditions of the Index Rate Agreement, are not required to be purchased on such Index

Rate Purchase Date. Any Index Rate Agreement providing for Unremarketed Bonds shall require that the Index Rate Holder provide notice to the Bond Trustee that, based on the Index Rate Holder's understanding that the conditions to term-out under the Index Rate Agreement have been satisfied, the Index Rate Bonds constitute Unremarketed Bonds. It is expressly acknowledged that an Index Rate Agreement is not required to provide for Unremarketed Bonds and that the Initial Index Rate Agreement does not provide for Unremarketed Bonds.

"Variable Rate" means a Daily Rate, Two-Day Rate or a Weekly Rate.

"Variable Rate Bonds" means Bonds that bear interest at a Variable Rate. Variable Rate Bonds shall not include Auction Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds, Index Rate Bonds or Long-Term Rate Bonds.

"Variable Rate Conversion Date" means a Daily Rate Conversion Date, a Two-Day Rate Conversion Date or a Weekly Rate Conversion Date.

"Variable Rate Period" means a Daily Rate Period, Two-Day Rate Period or a Weekly Rate Period.

"Washington Affiliates" means, collectively, FHS, Harrison, Highline and Enumclaw Regional Hospital Association, doing business as St. Elizabeth Hospital.

"Weekly Interest Period" means each period during which a particular Weekly Rate is in effect with respect to the Bonds pursuant to Section 2.03(d)(1).

"Weekly Rate" means an interest rate for the Bonds that is determined on a weekly basis pursuant to Section 2.03(d).

"Weekly Rate Bonds" means Bonds that bear interest at a Weekly Rate.

"Weekly Rate Conversion Date" means a day on which interest begins to accrue on the Bonds at a Weekly Rate following conversion pursuant to Section 2.05(b) or Section 2.03(j).

"Weekly Rate Period" means each period during which the Bonds are Weekly Rate Bonds.

"Window Variable-Rate" means a variable interest rate for the Bonds established in accordance with Section 2.03(h).

"Window Variable-Rate Bonds" means Bonds that bear interest at a Window Variable-Rate.

"Window Variable-Rate Conversion Date" means a day on which interest begins to accrue on the Bonds at a Window Variable-Rate following conversion pursuant to Section 2.05(b) or Section 2.03(j).

"Window Variable-Rate Determination Date" means, with respect to Window Variable-Rate Bonds, a Business Day not later than the Window Variable-Rate Conversion Date,

and thereafter, each Thursday or, if Thursday is not a Business Day, then the Business Day next following such Thursday.

Window Variable-Rate Interest Period” means each period during which a particular Window Variable-Rate is in effect for the Bonds, which shall be a period generally consisting of 7 days commencing on a Thursday and ending on the following Wednesday, except in the case of (a) the initial Window Variable-Rate Interest Period occurring after a Window Variable-Rate Conversion Date for which the period shall be from the applicable Window Variable-Rate Conversion Date to and including the following Wednesday and (b) the last Window Variable-Rate Interest Period during a Window Variable-Rate Period, for which the period shall end on the day preceding the applicable Conversion Date, redemption date or maturity date.

“Window Variable-Rate Mandatory Purchase Date” has the meaning given in Section 4.10(c)(3).

“Window Variable-Rate Optional Purchase Date” has the meaning given in Section 4.09(b)(3).

“Window Variable-Rate Period” means a period during which the Bonds are Window Variable-Rate Bonds.

“Window Variable-Rate Spread” means, during a Window Variable-Rate Period, (a) the Initial Window Variable-Rate Spread, or (b) a revised spread determined by the Remarketing Agent pursuant to Section 2.03(h).

SECTION 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa, and the use of the neuter, masculine or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. Unless the context requires otherwise, all references herein to “Articles,” “Sections” and other subsections are to the corresponding Articles, Sections or subsections of this Bond Indenture, and the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Bond Indenture as a whole and not to any particular Article, Section or subsection hereof.

ARTICLE II

THE BONDS

SECTION 2.01. Authorization of Bonds. For the purpose of providing the financial assistance requested by the Corporation for the Refunding Plan, the Authority hereby authorizes the issuance of the Bonds pursuant to this Bond Indenture and the Act. The Bonds shall be designated as the “WASHINGTON HEALTH CARE FACILITIES AUTHORITY

REVENUE BONDS, SERIES 2015A (Catholic Health Initiatives)". The aggregate principal amount of Bonds which may be issued and Outstanding under this Bond Indenture shall not exceed \$51,400,000. This Bond Indenture constitutes a continuing agreement of the Authority with the Holders from time to time of the Bonds to secure the full payment of the Required Bond Payments, all subject to, and in accordance with, the covenants, provisions and conditions herein contained.

SECTION 2.02. Terms of the Bonds. The Bonds may be issued initially only as fully registered Bonds without coupons in Authorized Denominations. The Bonds shall be initially issued in the form of Index Rate Bonds. The Bonds shall be dated the Date of Issue, shall mature (subject to prior redemption) on March 1, 2032. Interest thereon shall be payable on September 1, 2015, and on each Interest Payment Date thereafter. Interest shall accrue for each Interest Payment Period and shall be payable in arrears.

The principal or Redemption Price of the Bonds shall be payable in lawful money of the United States of America upon presentation at the Corporate Trust Office of the Bond Trustee. Payment of the interest on any Bond shall be made to the person whose name appears on the registration books of the Bond Trustee as the Holder thereof as of the close of business on the Record Date for such Interest Payment Date, except that any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Record Date and shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Bond Trustee, notice whereof being given to the Holders not less than ten (10) days prior to such Special Record Date.

Bonds shall be numbered in consecutive numerical order from 1 upwards, and each Bond shall bear interest at the applicable rates determined pursuant to *Exhibits B and C* to this Bond Indenture and Sections 2.03, 2.04 and 2.05, as applicable, from the date thereof, payable on the Interest Payment Dates.

Interest shall be paid by wire transfer in immediately available funds (or after the Fixed Rate Conversion Date, by check or draft mailed) on each Interest Payment Date to each Holder to the wire transfer account number located in the United States of America or at the address, as the case may be, shown on the registration books maintained by the Bond Trustee. After the Fixed Rate Conversion Date, at the written request of the Holder of at least \$1,000,000 in aggregate principal amount of Bonds, interest shall be paid by wire transfer to the wire transfer account number located in the United States of America filed with the Bond Trustee for such purpose.

Interest shall be calculated on the basis of (a) with respect to Auction Bonds that are in an Auction Period which is 180 days or less, Variable Rate Bonds, Index Rate Bonds bearing interest based on the SIFMA Swap Index or CPI-U, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds and Short-Term Rate Bonds, a 365- or 366-day year, as applicable, for the number of days actually elapsed, (b) with respect to Auction Bonds that are in an Auction Period which is greater than 180 days, Long-Term Rate Bonds and Fixed Rate Bonds, a 360-day year of twelve 30-day months and (c) with respect to Index Rate Bonds bearing interest based on LIBOR, a 360-day year and actual days elapsed.

The Bonds shall be subject to redemption and tender for purchase as provided in Article IV.

The determination of the Variable Rate, the Short-Term Rate, the Long-Term Rate, the FRN Spread, the Window Variable-Rate Spread, the Window Variable-Rate, the Index Rate, the RTV Rate and the Fixed Rate by the Remarketing Agent, the Index Agent or the Calculation Agent, as applicable, the calculation by the Index Agent of the amount of interest for any Index Interest Period, and the determination of the Auction Rate as described in *Exhibit B* hereto, shall be conclusive and binding upon the Holders of the Bonds, the Bond Trustee, any Liquidity Provider and any Credit Provider absent manifest error. Failure by the Bond Trustee, the Calculation Agent or the Index Agent to give any notice required hereunder, or any defect therein, shall not affect the interest rate borne by any of the Bonds. The Authority, the Bond Trustee, the Corporation, the Remarketing Agent, the Index Agent, the Calculation Agent, any Liquidity Provider and any Credit Provider shall not be liable to any Holders for failure to give any such notice, or any defect therein, or for failure of any Holders to receive any such notice.

The Bonds shall be paid solely from and shall be a valid claim only as against the Bond Fund.

The Bonds are secured by a security interest in and a statutory lien and claim against the money and investments in the Bond Fund.

As part of the security for the payment of the Bonds, the Authority has assigned its rights, title and interest in, to and under the Loan Agreement (subject to certain reservations and exceptions noted in Article IX of the Loan Agreement) and the Obligation to the Bond Trustee, in trust and without recourse.

The Bonds do not constitute obligations, either general, special or moral, of the State, or pledges of the faith and credit of the State, or general obligations of the Authority. The Holders of the Bonds have no right to require the State or the Authority, and neither the State nor the Authority has any obligation or legal authorization to levy any taxes or appropriate or expend any of its respective funds for the payment of the principal of, premium, if any, or interest on, the Bonds.

SECTION 2.03. Determination of Interest Rates on the Bonds; Conversions (Other than Fixed Rate Conversions).

(a) Determination of Interest Rates.

(1) General. All Bonds shall operate in the same Interest Rate Mode at the same time. Interest on the Bonds shall not exceed the Maximum Rate.

(2) Initial Interest Rate Mode. On the Date of Issue, the Bonds shall be Index Rate Bonds and initially shall bear interest based on LIBOR.

(3) Variable Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds. Subject to the further provisions of this Section 2.03 with respect to particular Variable Rates, Short-Term Rates or Long-Term Rates or conversions between Variable Rates or

to Short-Term Rates or Long-Term Rates, the interest rate on the Bonds during any Variable Rate Period, Short-Term Interest Period or Long-Term Interest Period shall be determined by the Remarketing Agent with respect to the Bonds as provided in this Section 2.03, and notice thereof shall be given as follows:

(A) The interest rate for the Variable Rate Period, Short-Term Interest Period or Long-Term Interest Period in question shall be determined by the Remarketing Agent on the date or dates and at the time or times required pursuant to Sections 2.03(b), 2.03(c), 2.03(d), 2.03(e) and 2.03(g), whichever is applicable. The interest rate to be determined for the Variable Rate Period, Short-Term Interest Period or Long-Term Interest Period shall be the lowest rate of interest that, in the reasonable judgment of the Remarketing Agent, would cause the Bonds in question to have a market value equal to the principal amount thereof under prevailing market conditions as of the date of determination, except as otherwise provided in Section 2.03(g).

(B) If the Remarketing Agent fails for any reason to determine the Variable Rate, Short-Term Rate or Long-Term Rate for any Variable Rate Period, Short-Term Rate Period or Long-Term Rate Period, as applicable, when required hereunder, or a court holds that the Variable Rate, Short-Term Rate or Long-Term Rate for any Variable Rate Period, Short-Term Rate Period or Long-Term Rate Period, as applicable, is invalid, illegal or unenforceable and, in each case, so long as no Event of Default relating to any failure to make Required Liquidity Payments, when due, shall have occurred and be continuing, then the interest rate on the Bonds shall be equal to the SIFMA Swap Index, until the interest rate on such Bonds is again validly determined by the Remarketing Agent.

(C) All Variable Rate Bonds shall bear interest accruing at the same Variable Rate, and all Long-Term Rate Bonds shall bear interest accruing at the same Long-Term Rate.

(4) FRN Rate Bonds. The FRN Rate shall be determined in accordance with Section 2.03(f). The Bond Trustee shall notify the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time) and the Corporation of the FRN Rate for each FRN Interest Period in accordance with Section 2.03(f). All FRN Rate Bonds shall bear interest accruing at the same FRN Rate.

(5) Auction Bonds. The Auction Rate shall be determined in accordance with the Auction Procedures set forth in *Exhibit B*. All Auction Bonds shall bear interest accruing at the same Auction Rate.

(6) Window Variable-Rate Bonds. The Window Variable-Rate shall be determined in accordance with Section 2.03(h). The Calculation Agent shall notify the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Bond Trustee (if the Bond Trustee is not also the Calculation Agent) and the Corporation of the Window Variable-Rate for each Window

Variable-Rate Interest Period in accordance with Section 2.03(h). All Window Variable-Rate Bonds shall bear interest accruing at the same Window Variable-Rate.

(7) RTV Rate Bonds. The RTV Rate shall be determined in accordance with the provisions set forth in *Exhibit C*. All RTV Rate Bonds shall bear interest accruing at the same RTV Rate, except as otherwise provided in *Exhibit C*.

(8) Index Rate Bonds. The Index Rate shall be determined in accordance with Section 2.03(i). The Index Agent shall notify the Authority and the Corporation of the Index Rate for each Index Rate Period in accordance with Section 2.03(i). All Index Rate Bonds shall bear interest accruing at the same Index Rate.

(b) Daily Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at a Daily Rate, Daily Interest Periods shall commence on each Business Day and shall extend to, but not include, the next succeeding Business Day.

(2) Effective Period. The interest rate for each Daily Interest Period shall be effective from and including the commencement date thereof and shall remain in effect to, but not including, the next succeeding Business Day.

(3) Determination Time. Each Daily Rate shall be determined by the Remarketing Agent by 10:00 a.m., New York City time, on the commencement date of the Daily Interest Period to which it relates. Notice of each Daily Rate shall be given by the Remarketing Agent to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, any Liquidity Provider, any Credit Provider and the Corporation by Electronic Notice no less frequently than once each week on a day preceding an Interest Payment Date. The Bond Trustee shall inform the Holders of each Daily Rate when provided by the Remarketing Agent upon request.

(c) Two-Day Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at a Two-Day Rate, Two-Day Interest Periods shall commence on the first day of a Two-Day Rate Period and on each Monday, Wednesday and Friday thereafter so long as interest on the Bonds is to be payable at a Two-Day Rate or, if any Monday, Wednesday or Friday is not a Business Day, on the next Monday, Wednesday or Friday that is a Business Day and extend to, but not include the next day on which a Two-Day Rate is required to be set in accordance with the terms of Section 2.03(c)(3).

(2) Effective Period. The Two-Day Rate set on any Business Day for each Two-Day Interest Period will be effective as of such Business Day and will remain in effect until the next day on which a Two-Day Rate is required to be set in accordance with the terms of Section 2.03(c)(3).

(3) Determination Time. During each Two-Day Rate Period, the Remarketing Agent will set a Two-Day Rate on or before 10:00 a.m., New York City time, on the first day of a Two-Day Rate Period and on each Monday, Wednesday and Friday thereafter so long as interest on the Bonds is to be payable at a Two-Day Rate or, if any Monday, Wednesday or Friday is not a Business Day, on the next Monday, Wednesday or Friday that is a Business Day. Notice of each Two-Day Rate shall be given by the Remarketing Agent to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, any Liquidity Provider, any Credit Provider and the Corporation by Electronic Notice not later than 10:30 a.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Two-Day Rate determined by the Remarketing Agent upon request.

(d) Weekly Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at a Weekly Rate, Weekly Interest Periods shall commence on Wednesday of each week and end on Tuesday of the following week; provided, however, that (A) in the case of a conversion to a Weekly Rate from another Interest Rate Mode, the initial Weekly Interest Period for such Bonds shall commence on the Weekly Rate Conversion Date and end on the next succeeding Tuesday and (B) in the case of a conversion from a Weekly Rate to a Daily Rate, Two-Day Rate, Short-Term Rate, FRN Rate, RTV Rate, Index Rate, Window Variable-Rate or Long-Term Rate or to Auction Bonds, the last Weekly Interest Period prior to conversion shall end on the last day immediately preceding the applicable Conversion Date.

(2) Effective Period. The interest rate for each Weekly Interest Period shall be effective from and including the commencement date of such Weekly Interest Period and shall remain in effect through and including the last day thereof.

(3) Determination Time. Each Weekly Rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Weekly Interest Period to which it relates. Notice of each Weekly Rate shall be given by the Remarketing Agent to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, the Corporation, any Liquidity Provider and any Credit Provider by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Weekly Rate determined by the Remarketing Agent upon request.

(e) Short-Term Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at a Short-Term Rate, each Short-Term Interest Period shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding that Short-Term Interest Period which will, in the judgment of the Remarketing Agent, produce the greatest likelihood of the lowest net interest cost during the term of

such Bonds; provided, that each Short-Term Rate Period (A) shall be from 1 to 364 days in length but, if a Liquidity Facility is in effect with respect to the Bonds, shall not exceed the number of days of interest coverage provided by such Liquidity Facility minus five days, shall not extend beyond the date that is five days before the Stated Expiration Date of such Liquidity Facility and shall not exceed the number of days remaining prior to the Conversion Date if the Remarketing Agent has given or received notice of any conversion to a different Interest Rate Mode, (B) shall commence on a Business Day (except in the case of a conversion to a Short-Term Rate Period, the initial Short-Term Rate shall commence on the Conversion Date), and (C) shall end on a day preceding a Business Day or the day preceding the maturity date for such Bonds. The Remarketing Agent may, in the reasonable exercise of its judgment, determine one or more Short-Term Interest Periods that result in a Short-Term Rate or Short-Term Rates on Bonds that are higher than would be borne by the Bonds with a shorter Short-Term Interest Period in order to increase the likelihood of achieving the lowest net interest cost during the term of the Bonds by assuring the effectiveness of such Short-Term Rate for a longer Short-Term Interest Period. The determination of each Short-Term Interest Period by the Remarketing Agent shall be based upon the relative market yields of the Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the Remarketing Agent are otherwise comparable to the Bonds, or any fact or circumstance relating to the Bonds or affecting the market for the Bonds or affecting such other comparable securities in a manner that, in the reasonable exercise of the judgment of the Remarketing Agent, will affect the market for the Bonds. The Remarketing Agent, in its discretion, may consider such information and resources as it deems appropriate in making the determinations described in this paragraph, including consultations with the Corporation, but the Remarketing Agent's determination of the Short-Term Interest Periods will be based solely upon the reasonable exercise of the Remarketing Agent's judgment.

(2) Effective Period. The interest rate for each Short-Term Interest Period shall be effective from and including the commencement date of that interest period and shall remain in effect through and including the last day thereof.

(3) Short-Term Interest Periods. Short-Term Rate Bonds may bear interest for different Short-Term Interest Periods and at different Short-Term Rates; provided, that all Short-Term Rate Bonds with the same Short-Term Interest Period shall bear interest accruing at the same Short-Term Rate; and provided further, that all Bonds shall be Short-Term Rate Bonds if any of the Bonds are Short-Term Rate Bonds.

(4) Determination Time. Each such interest rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Short-Term Interest Period to which it relates. Notice of each Short-Term Rate shall be given by the Remarketing Agent to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, the Corporation, any Liquidity Provider and any Credit Provider with respect to which such Short-Term Rate is applicable by Electronic Notice not later than 5:00 p.m., New York City time, on the

date of determination. The Bond Trustee shall inform the Holders of each Short-Term Rate determined by the Remarketing Agent upon request.

(f) FRN Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at an FRN Rate, FRN Interest Periods shall commence on the day immediately following an FRN Rate Determination Date and end on the immediately succeeding FRN Rate Determination Date; provided, however, that in the case of a conversion to an FRN Rate from another Interest Rate Mode, the initial FRN Interest Period for the Bonds shall commence on the FRN Rate Conversion Date and end on the next succeeding FRN Rate Determination Date. The FRN Rate shall be based on the FRN Index. Prior to the FRN Rate Conversion Date, the Remarketing Agent shall determine the FRN Spread and the FRN Rate Determination Date for such FRN Rate Period.

(2) Calculation of FRN Rate. Each FRN Rate shall be determined by the Calculation Agent (from information to be provided by the Remarketing Agent) by 4:00 p.m., New York City time, on the FRN Rate Determination Date to which it relates. Notice of each FRN Rate shall be given by the Bond Trustee to the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, the Corporation, any Liquidity Provider and any Credit Provider by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each FRN Rate upon request.

(3) FRN Rate Bonds Election. In the case of a conversion to an FRN Rate from another Interest Rate Mode or the continuation of the Bonds as FRN Rate Bonds in a new FRN Rate Period, the Corporation shall, prior to such conversion, elect by written notice to the Bond Trustee, the Tender Agent, the Remarketing Agent and the Authority that such FRN Rate Bonds be either FRN Rate Hard Put Bonds or FRN Rate Soft Put Bonds.

(4) Remarketing of FRN Rate Bonds.

(A) At least 45 days prior to the FRN Rate Mandatory Purchase Date, the Corporation shall furnish a written direction to the Bond Trustee, the Tender Agent, the Remarketing Agent and the Authority electing whether the FRN Rate Bonds will continue as FRN Rate Bonds in a new FRN Rate Period or be converted to a different Interest Rate Mode, which shall be accompanied by (i) a copy of the notice required to be given to the Bond Trustee pursuant to Section 2.03(j)(2) and (ii) an Opinion of Bond Counsel. Such direction shall be sent by Electronic Notice. The FRN Rate Bonds may only be converted in whole.

(B) If the Corporation has made the election to continue as FRN Rate Bonds in a new FRN Rate Period, the Remarketing Agent shall offer for sale and use its best efforts to sell such Bonds at the minimum interest rate which would enable the Remarketing Agent to sell all of such Bonds at a price (without regard

to accrued interest) equal to the principal amount thereof. If the Bonds shall remain FRN Rate Bonds in a new FRN Rate Period, the Remarketing Agent may adjust the FRN Spread and will promptly notify the Bond Trustee, the Authority and the Corporation of any such adjustment. Such adjustment will take effect on the effective date for such new FRN Rate Period. At the time the Remarketing Agent determines the FRN Spread, the Remarketing Agent shall also determine the FRN Rate Determination Date for such new FRN Rate Period.

(g) Long-Term Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at a Long-Term Rate, Long-Term Interest Periods shall commence on a Long-Term Rate Conversion Date or, thereafter, the effective date of a subsequent Long-Term Interest Period, and end on a day which is at least 12 months after such Long-Term Rate Conversion Date which is the day preceding (A) the effective date of a subsequent Long-Term Interest Period, (B) the Conversion Date on which a different Interest Rate Mode shall become effective, or (C) the maturity date for the Bonds; provided, that if a Liquidity Facility is in effect with respect to the Bonds, each Long-Term Interest Period shall not extend to a date beyond the fifth day next preceding the Stated Expiration Date of such Liquidity Facility. The term of each Long-Term Interest Period shall be specified in writing by the Corporation to the Remarketing Agent, the Authority, the Bond Trustee, the Tender Agent, any Liquidity Provider and any Credit Provider at least 5 days prior to its commencement.

(2) Effective Period. The interest rate for each Long-Term Interest Period shall be effective from and including the commencement date of that Long-Term Interest Period and shall remain in effect through and including the last day thereof.

(3) Determination Time. Each Long-Term Rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Long-Term Interest Period to which it relates. Notice of each Long-Term Rate shall be given by the Remarketing Agent to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, the Corporation, any Liquidity Provider and any Credit Provider by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Long-Term Rate determined by the Remarketing Agent upon request.

(4) Remarketing. The Long-Term Rate for each Long-Term Interest Period shall be the rate of interest per annum borne by the Bonds which shall be the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause the Bonds to have a market value equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination. Notwithstanding the foregoing and the provisions of Section 4.15, the Long-Term Rate for a Long-Term Interest Period may be the rate of interest per annum determined by the Remarketing Agent to be the interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on the date and at the time of such determination at a price which

will result in the lowest net interest cost for the Bonds, determined by (i) taking into account any premium or discount at which the Bonds are sold by the Remarketing Agent and (ii) assuming that the Bonds will be paid or redeemed at their stated redemption price on the mandatory or optional redemption date that would produce the lowest net interest cost of the Bonds; provided, that in connection with selling the Bonds at a premium or discount:

(A) The Remarketing Agent certifies to the Authority, the Bond Trustee, the Tender Agent and the Corporation that the sale of the Bonds at the interest rate and premium or discount specified by the Remarketing Agent is expected to result in the lowest net interest cost for the Bonds on the commencement date of the Long-Term Interest Period;

(B) The Corporation consents in writing to the sale of the Bonds by the Remarketing Agent at such premium or discount;

(C) In the case of Bonds to be sold at a discount, either (i) a Liquidity Facility is in effect with respect to the Bonds and provides for the purchase of the Bonds at such discount, or (ii) the Corporation agrees to transfer to the Tender Agent on the commencement date of such Long-Term Interest Period, in immediately available funds, for deposit in the Corporation Purchase Account, an amount equal to such discount;

(D) In the case of Bonds to be sold at a premium, the Remarketing Agent shall transfer to the Bond Trustee for deposit in the Bond Fund an amount equal to such premium;

(E) On or before the date of the determination of the Long-Term Rate, the Corporation delivers to the Bond Trustee, the Authority and the Remarketing Agent a letter of Bond Counsel to the effect that Bond Counsel expects to be able to give an Opinion of Bond Counsel to the effect that such determination of the interest rate will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled, on or before the commencement date of the Long-Term Interest Period; and

(F) On or before the commencement date of the Long-Term Interest Period, an Opinion of Bond Counsel to the effect that such determination of the interest rate will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled shall have been received by the Bond Trustee and the Authority and confirmed to the Corporation and the Remarketing Agent.

(h) Window Variable-Rates.

(1) Interest Period. Whenever the Bonds are to bear interest accruing at a Window Variable-Rate, each Window Variable-Rate shall be in effect for each Window Variable-Rate Interest Period which shall commence on and include Thursday and end on and include the next succeeding Wednesday, unless such Window Variable-Rate Interest

Period ends on a day other than Wednesday, in which event the last Window Variable-Rate for such Window Variable-Rate Interest Period will apply to the Window Variable-Rate Interest Period commencing on and including the Thursday preceding the last day of such Window Variable-Rate Interest Period and ending on and including the last day of such Window Variable-Rate Interest Period; provided, however, that, in the case of a conversion to a Window Variable-Rate from another Interest Rate Mode, the initial Window Variable-Rate Interest Period shall commence on the Window Variable-Rate Conversion Date.

(2) Calculation of Window Variable-Rate. Each Window Variable-Rate shall be determined by the Calculation Agent by 4:00 p.m., New York City time, on the applicable Window Variable-Rate Determination Date (or, if such day is not a Business Day, then on the next succeeding Business Day), which Window Variable-Rate shall be equal to the SIFMA Swap Index on such Window Variable-Rate Determination Date plus the Window Variable-Rate Spread. The Calculation Agent shall furnish each Window Variable-Rate so determined to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, the Remarketing Agent, the Corporation, any Liquidity Provider and any Credit Provider by Electronic Notice no later than the Business Day next succeeding the date of determination.

The sum of the SIFMA Swap Index plus the Window Variable-Rate Spread shall be equal to the rate of interest per annum determined by the Remarketing Agent (based on an examination of tax exempt obligations comparable, in the judgment of the Remarketing Agent, to the Bonds and known by the Remarketing Agent to have been priced or traded under then prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell all of the Bonds on the Window Variable-Rate Conversion Date at a price equal to the principal amount thereof. During a Window Variable-Rate Period, the Remarketing Agent may (A) with the consent of the Corporation, increase the Window Variable-Rate Spread effective as of any Window Variable-Rate Optional Purchase Date, Corporation Elective Purchase Date or Window Variable-Rate Mandatory Purchase Date, or (B) reduce the Window Variable-Rate Spread effective as of any Corporation Elective Purchase Date or Window Variable-Rate Mandatory Purchase Date. The sum of the SIFMA Swap Index plus the revised Window Variable-Rate Spread shall be equal to the rate of interest per annum determined by the Remarketing Agent (based on an examination of tax exempt obligations comparable, in the judgment of the Remarketing Agent, to the Bonds and known by the Remarketing Agent to have been priced or traded under then prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell all of the Bonds on the effective date of the revised Window Variable-Rate Spread at a price equal to the principal amount thereof. A revised Window Variable-Rate Spread shall apply to all of the Bonds bearing interest at a Window Variable-Rate as of the effective date of the revised Window Variable-Rate Spread.

The Remarketing Agent shall give Electronic Notice of the revised Window Variable-Rate Spread to the Bond Trustee not later than the second Business Day after

the effective date of such revised Window Variable-Rate Spread. The Bond Trustee shall give notice of such revised Window Variable-Rate Spread by Electronic Notice, confirmed by first-class mail to the Holders, with a copy to the Authority, the Corporation, the Tender Agent, any Liquidity Provider and any Credit Provider not later than the second Business Day after receiving notice of such Window Variable-Rate Spread from the Remarketing Agent. If a court holds that the Window Variable-Rate set for any Window Variable-Rate Interest Period is invalid, illegal or unenforceable or if the SIFMA Swap Index is not available for any week, the Window Variable-Rate for such Window Variable-Rate Interest Period shall be equal to a rate per annum equal to 85% of the interest rate on 30 day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* on such Window Variable-Rate Determination Date, plus the Window Variable-Rate Spread. The SIFMA Swap Index shall be used in the calculation of the Window Variable-Rate Spread whenever the SIFMA Swap Index is available.

(i) Index Rates.

(1) General. During all Index Rate Periods, the Index Rate Bonds shall bear interest at the Index Rate, unless the Index Rate Bonds are Unremarketed Bonds, in which case they shall bear interest at the Bank Index Rate except that: (A) upon the occurrence and continuance of an Event of Default hereunder or in the event any Obligor Rating is (i) withdrawn, suspended, or otherwise unavailable or (ii) reduced below "Baa2" (or its equivalent) in the case of Moody's or "BBB" (or its equivalent) in the case of S&P or Fitch, the Index Rate Bonds and Unremarketed Bonds shall (automatically and immediately (without notice to the Corporation, which notice is hereby waived by the Corporation)) bear interest at the Default Rate; and (B) upon the occurrence of a Determination of Taxability, the Index Rate Bonds shall (automatically and immediately (without notice to the Corporation, which notice is hereby waived by the Corporation)) bear interest at a rate equal to the product of the Index Rate (or, if the Index Rate Bonds are Unremarketed Bonds, the Bank Index Rate) or Default Rate, as applicable, in effect on the date of such Determination of Taxability and 1.54.

(2) Determination of Index Rates, Applicable Factor and Applicable Spread.

(A) The interest rate on Index Rate Bonds for each Index Interest Period shall be the rate, rounded upward to the nearest third decimal place, that is equal to the sum of (A) the Applicable Spread then in effect and (B) the product of (i) the Applicable Index then in effect and (ii) the Applicable Factor then in effect. At or prior to 5:00 p.m., New York City time, on each Index Rate Determination Date, the Index Agent shall calculate the Index Rate to be applicable commencing on the Index Rate Reset Date immediately following such Index Rate Determination Date and shall provide prompt notice of such Index Rate to the Bond Trustee and, upon request, to the Authority and the Corporation. The Index Rate for the period commencing on and including the Date of Issue through and including August 31, 2015 shall be equal to [REDACTED].

(B) Whenever the Bonds are to bear interest accruing at an Index Rate following the Initial Index Rate Period, the Corporation shall designate the Applicable Index to be in effect for such Index Rate Period in the notice given pursuant to Section 2.03(j)(2). The Market Agent shall determine the Applicable Factor and the Applicable Spread for such Index Rate Period that would permit the Bonds to be sold at a price of par on the Index Rate Conversion Date; provided, however, that notwithstanding anything to the contrary in this Section 2.03, in the event that (A) the Bonds have previously borne interest at the Index Rate during an Index Rate Period then ending, (B) a single Holder is the Holder of all of such Index Rate Bonds, and (C) such Index Rate Holder and the Corporation wish to convert the Bonds to a new Index Rate Period where such Index Rate Holder shall continue to be the Holder of all of the Bonds without a mandatory tender and purchase or remarketing, all in accordance with the terms of the Index Rate Agreement (a "Direct Purchase Period Conversion"), such Index Rate Holder and the Corporation may cause the Bonds to be converted to such a new Index Rate Period by delivering a notice (a "Direct Purchase Period Conversion Notice") in the form of Exhibit D, properly completed and executed by the Corporation and such Index Rate Holder, to the Bond Trustee no later than the Business Day prior to the proposed Conversion Date, as specified in such notice. The Direct Purchase Period Conversion Notice shall (x) specify the duration of the new Index Rate Period and the new Index Rate Purchase Date for such period, (y) designate the new Applicable Index and whether the Applicable Index shall be LIBOR, the SIFMA Swap Index or CPI-U (and, if LIBOR, the length of the applicable LIBOR interest period), and (z) designate the new Applicable Factor and the new Applicable Spread. In such case, the new Applicable Factor and Applicable Spread shall be those which, when used to calculate the new Index Rate shall result, in the judgment of the Market Agent (evidenced by a certificate signed by the Market Agent and delivered to the Bond Trustee and the Corporation no later than the Business Day prior to the proposed Conversion Date), having due regard for prevailing market conditions for bonds or other securities similar to the Bonds, in the interest rate necessary, but shall not exceed the interest rate necessary, to permit the Bonds to be purchased at a price of par without regard to accrued interest on the Conversion Date.

(C) Anything in this Section 2.03(i)(2) to the contrary notwithstanding, if the rate of interest payable on the Index Rate Bonds would otherwise exceed the Maximum Rate for any Index Interest Rate Period but for the limitation of the Maximum Rate, then (i) such Index Rate Bonds shall bear interest at the Maximum Rate until all Excess Interest is paid in full and (ii) interest on such Index Rate Bonds calculated at the rate equal to the difference between (A) the rate of interest borne by such Index Bonds without regard to the Maximum Rate and (B) the Maximum Rate (the "Excess Interest") shall be deferred until such date as the rate of interest borne by such Index Rate Bonds without regard to the Maximum Rate ceases to exceed the Maximum Rate, at which time such portion of the deferred Excess Interest shall be payable with respect to such Index Rate Bonds as will cause the rate of interest then paid thereon to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply until all

deferred Excess Interest with respect to such Index Rate Bonds is fully paid. For avoidance of doubt, it is expressly acknowledged that for all purposes under this Section 2.03(i)(2)(C), the term “Bonds” includes Unremarketed Bonds.

(3) Selection of Index Rate Period. After the Initial Index Rate Period, each Index Rate Period and the Index Rate Purchase Date therefor shall be established by the Corporation in the notice given pursuant to Section 2.03(i)(2). Each Index Rate Period shall end on the day next preceding a Business Day; provided that no Index Rate Period shall extend beyond the maturity date of the Bonds.

(4) Selection of Applicable Index. The Applicable Index for any Index Rate Period shall be LIBOR with a one month period unless a new Applicable Index is designated as described in Section 2.03(i)(2)

(j) Conversions. At the option of the Corporation, the interest rate with respect to all (but not less than all) Bonds (other than Auction Bonds, which are governed by Section 2.05, or Fixed Rate Bonds) may be converted to Daily Rate Bonds, Two-Day Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds, Index Rate Bonds or Long-Term Rate Bonds, from one Long-Term Rate Period to another Long-Term Rate Period or from one Index Rate Period to another Index Rate Period, as follows:

(1) Conversion Date. In any such case, the Conversion Date may be any date on which such Bonds are subject to optional redemption pursuant to Section 4.01. Interest shall accrue on the Bonds at the new interest rate commencing on such Conversion Date, whether or not a Business Day. Any action required to be taken on such Conversion Date, if such day is not a Business Day, may be taken on the next succeeding Business Day as if it had occurred on such Conversion Date.

(2) Notice of Intent to Convert. The Corporation shall give written notice of its intent to exercise its option to effect any such conversion to the Authority, the Remarketing Agent, the Index Rate Holder, the Index Agent, if any, the Tender Agent, the Bond Trustee, any Liquidity Provider and any Credit Provider by Electronic Notice not fewer than five days (or such shorter period as shall be acceptable to the applicable parties) prior to (A) the date on which the Bond Trustee is required to provide notice to the holders or (B) the Conversion Date (if the Bonds are Short-Term Rate Bonds, Long-Term Rate Bonds, and RTV Rate Bonds bearing interest at an RTV Extension Rate). In the case of a Direct Purchase Period Conversion, a completed and executed Direct Purchase Period Conversion Notice shall constitute such notice. In the case of any other conversion, such notice shall specify the proposed Conversion Date, the Interest Rate Mode to which the conversion will be made and, if converting to the Index Rate or another Index Rate Period, such notice shall also specify (i) whether the Applicable Index shall be LIBOR, the SIFMA Swap Index or CPI-U (and if LIBOR the length of the applicable LIBOR interest period), (ii) the duration of the Index Rate Period and (iii) the new Index Rate Purchase Date. If the Bonds are to be converted to FRN Rate Bonds, such notice shall include notice of the Corporation’s election under Section 2.03(f)(3). If

the Corporation does not elect in a timely fashion a new Interest Rate Mode, the Interest Rate Mode then in effect shall continue until changed by timely notice.

(3) Notice of Conversion and Mandatory Tender. For Bonds other than Short-Term Rate Bonds, Long-Term Rate Bonds and RTV Rate Bonds bearing interest at an RTV Extension Rate, not fewer than 15 days prior to the proposed Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. For Bonds bearing interest at an RTV Extension Rate, no later than the Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first-class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. Each notice given pursuant to this paragraph shall set forth the information required by Section 4.11(d) hereof.

(4) Opinion of Bond Counsel. Any conversion pursuant to this Section shall be subject to the conditions that, on or before the Conversion Date, the Corporation shall have delivered to the Authority, the Bond Trustee, the Remarketing Agent, the Index Rate Holder, if any, any Liquidity Provider and any Credit Provider an Opinion of Bond Counsel to the effect that the conversion is authorized by this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled.

(5) Conditions to Conversion. Notwithstanding the Corporation's delivery of notice of the exercise of its option to effect a conversion pursuant to Section 2.03(j)(2), such conversion to the new Interest Rate Mode shall not take effect if:

(A) The Corporation withdraws such notice of the exercise of its option to effect conversion not later than the Business Day preceding the date on which the interest rate at the new Interest Rate Mode is to be determined;

(B) The Remarketing Agent fails to determine, when required, the interest rate for the new Interest Rate Mode;

(C) The notice to Holders of Bonds required by Section 2.03(j)(3) above is not given when required;

(D) The Corporation fails to deliver to the Authority, the Bond Trustee, the Remarketing Agent, any Liquidity Provider and any Credit Provider the opinion referred to in Section 2.03(j)(4);

(E) Sufficient funds are not available by Noon (New York City time) on the Conversion Date to purchase all of the Bonds on such Conversion Date; or

(F) In the case of conversion from an RTV Rate Period, an Index Rate Period or Window Variable-Rate Period, not all of the Bonds are remarketed in the new Interest Rate Mode on the applicable Conversion Date.

In any of such events:

(i) The Conversion Date shall not occur, whether or not notice of the conversion has been given to the Holders;

(ii) Unless an Event of Default relating to any failure to make Required Liquidity Payments when due shall occur and be continuing (in such case, the Bonds will bear interest as provided in Section 4.12), the Bonds:

(a) Bearing interest at a Variable Rate shall continue to bear interest at a Variable Rate determined as otherwise provided in Section 2.03;

(b) Bearing interest at a Window Variable-Rate shall continue to bear interest at a Window Variable-Rate determined as otherwise provided in Section 2.03;

(c) Bearing interest at a RTV Rate shall continue to bear interest at an RTV Rate determined as otherwise provided in *Exhibit C*;

(d) Bearing interest at a Short-Term Rate shall bear interest as determined in Section 4.12(c) until all of such Bonds have been remarketed;

(e) Bearing interest at a Long-Term Rate shall bear interest as determined in Section 4.12(c) until all of such Bonds have been remarketed;

(f) Bearing interest at an FRN Rate shall continue to bear interest at the FRN Rate then in effect until all of such Bonds have been remarketed, unless the proposed conversion was to occur on a date that is already a Purchase Date for FRN Rate Bonds, in which case such FRN Rate Bonds shall bear interest as determined in Section 4.12 until all of such Bonds have been remarketed; and

(g) Bearing interest at an Index Rate shall continue to bear interest at the Index Rate then in effect, unless the proposed conversion was to occur on a date that is already a Purchase Date for Index Rate Bonds, in which case such Index Rate Bonds shall bear interest as determined in Section 4.12(h) until all of such Bonds have been remarketed; and

(iii) The mandatory tender of the Bonds on the Conversion Date pursuant to Section 4.11(a)(1) shall not occur, whether or not notice of the conversion has been given to the Holders. Notice of withdrawal of a conversion notice shall be given by the Corporation to the Authority, the Bond Trustee, the Remarketing Agent, the Tender Agent, the Calculation Agent, any Liquidity Provider and any Credit Provider by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders of the Bonds (other than Long-Term Rate Bonds or Short-Term Rate Bonds) by the Bond Trustee by Electronic Notice, confirmed by first class mail. No cancellation of a conversion pursuant to this Section 2.03(j)(5) shall constitute an Event of Default hereunder.

(k) Conversion to Auction Bonds. At the option of the Corporation, all (but not less than all) Bonds (other than Fixed Rate Bonds) may be converted to Auction Bonds as follows; provided, that no Bonds may be converted to the Auction Rate when the Bonds are not held by a Securities Depository in book-entry form:

(1) Auction Rate Conversion Date. In any such case, the Auction Rate Conversion Date may be any date the Bonds are subject to optional redemption pursuant to Section 4.01. The initial Interest Payment Period following the Auction Rate Conversion Date shall commence on the Auction Rate Conversion Date and end on (and include) the initial Auction Date specified by the Corporation pursuant to *Exhibit B* of this Bond Indenture. The interest rate applicable for such initial Interest Payment Period shall be determined by the Broker-Dealer(s) on the Business Day preceding the Auction Rate Conversion Date and shall be the lowest rate of interest that, in the judgment of the Broker-Dealer(s), would cause the Bonds to have a market value equal to the principal amount thereof under prevailing market conditions as of the date of determination, which determination shall be conclusive and binding upon the Authority, the Corporation, the Bond Trustee, the Auction Agent, any Liquidity Provider and any Credit Provider and the Holders. Not later than 5:00 p.m., New York City time, on the date of determination of the Auction Rate, the Broker-Dealer shall notify the Bond Trustee, the Corporation and the Auction Agent of the Auction Rate by telephone, promptly confirmed in writing. The initial Interest Payment Date with respect to the Auction Bonds following the Auction Rate Conversion Date shall be the day following the end of the Initial Interest Payment Period specified by the Corporation, as provided in *Exhibit B* hereto (provided, however, that if the duration of the Initial Interest Payment Period is one year or longer, then the Interest Payment Dates therefor shall be each Payment Date during such Initial Interest Payment Period and the day following the end of such Initial Interest Payment Period).

(2) Notice of Intent to Convert. The Corporation shall give written notice of its intent to exercise its option to effect any such conversion to the Authority, the Remarketing Agent, the Tender Agent, the Auction Agent, the Broker-Dealer, the Bond Trustee, any Liquidity Provider and any Credit Provider by Electronic Notice not less than five days (or such shorter period as shall be acceptable to the applicable parties) prior to (A) the date on which the Bond Trustee is required to notify the Holders of the conversion pursuant to Section 2.03(k)(3), or (B) the Auction Rate Conversion Date (if the Bonds are Short-Term Rate Bonds, Long-Term Rate Bonds and RTV Rate Bonds bearing interest at an RTV Extension Rate). Such notice shall specify the proposed

Auction Rate Conversion Date, the initial Auction Agent, the initial Broker-Dealer(s) and the initial Auction Date.

(3) Notice of Conversion and Mandatory Tender. For Bonds other than Short-Term Rate Bonds, Long-Term Rate Bonds, and RTV Rate Bonds bearing interest at an RTV Extension Rate, not fewer than 15 days prior to the proposed Auction Rate Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. For Bonds bearing interest at an RTV Extension Rate, no later than the Auction Rate Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. Each such notice shall set forth the information required by Section 4.11(d).

(4) Opinion of Bond Counsel; Auction Agency and Broker-Dealer Agreements. Any conversion pursuant to this Section shall be subject to the conditions that, on or before the Auction Rate Conversion Date, (A) the Corporation shall have delivered to the Authority, the Bond Trustee, the Auction Agent, the Broker-Dealer(s), the Remarketing Agent, any Liquidity Provider and any Credit Provider an Opinion of Bond Counsel to the effect that the conversion is authorized by this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled; and (B) the Auction Agency Agreement and one or more Broker-Dealer Agreements shall have been entered into by the respective parties to such agreements.

(5) Conditions to Auction Rate Conversion. Notwithstanding the Corporation's delivery of notice of the exercise of its option to effect a conversion pursuant to Section 2.03(k)(2), such conversion shall not take effect if:

(A) The Corporation withdraws such notice of the exercise of its option to effect conversion not later than the Business Day preceding the date on which the initial interest rate applicable to the Auction Bonds is to be determined;

(B) The Broker-Dealer(s) fails to determine the initial interest rate applicable to the Auction Bonds;

(C) The notice to Holders of Bonds required by Section 2.03(k)(3) is not given when required;

(D) The Corporation fails to deliver to the Authority, the Bond Trustee, the Remarketing Agent, the Auction Agent, the Broker-Dealer(s), any Liquidity Provider and any Credit Provider the Opinion of Bond Counsel referred to in Section 2.03(k)(4);

(E) The Auction Agency Agreement and at least one Broker-Dealer Agreement shall not have been entered into as required by Section 2.03(k)(4);

(F) Sufficient funds are not available, by Noon (New York City time), on the Auction Rate Conversion Date to purchase all the Bonds on the Auction Rate Conversion Date; or

(G) In the case of conversion from an RTV Rate Period, an Index Rate Period or Window Variable-Rate Period, not all of the Bonds are remarketed in the new Interest Rate Mode on the applicable Conversion Date.

In any of such events:

(i) The Auction Rate Conversion Date shall not occur, whether or not notice of the conversion has been given to the Holders;

(ii) Unless an Event of Default relating to any failure to make Required Liquidity Payments when due shall occur and be continuing (in such case, the Bonds will bear interest as provided in Section 4.12), the Bonds:

(a) Bearing interest at a Variable Rate shall continue to bear interest at a Variable Rate determined as otherwise provided in Section 2.03;

(b) Bearing interest at a Window Variable-Rate shall continue to bear interest at a Window Variable-Rate determined as otherwise provided in Section 2.03;

(c) Bearing interest at a RTV Rate shall continue to bear interest at an RTV Rate determined as otherwise provided in *Exhibit C*;

(d) Bearing interest at a Short-Term Rate shall bear interest as determined in Section 4.12(c) until all of such Bonds have been remarketed;

(e) Bearing interest at a Long-Term Rate shall bear interest as determined in Section 4.12(c) until all of such Bonds have been remarketed; and

(f) Bearing interest at an FRN Rate shall continue to bear interest at the FRN Rate then in effect until all of such Bonds have been remarketed, unless the proposed conversion was to occur on a date that is already a Purchase Date for FRN Rate Bonds, in which case such FRN Rate Bonds shall bear interest as determined in Section 4.12 until all of such Bonds have been remarketed; and

(g) Bearing interest at an Index Rate shall continue to bear interest at the Index Rate then in effect, unless the proposed conversion was to occur on a date that is already a Purchase Date for Index Rate Bonds, in which case such Index Rate Bonds shall bear interest as determined in Section 4.12(h) until all of such Bonds have been remarketed; and

(iii) The mandatory tender of the Bonds on the Conversion Date pursuant to Section 4.11(a)(1) shall not occur, whether or not notice of the conversion has been given to the Holders. Notice of withdrawal of a conversion notice shall be given by the Corporation to the Authority, the Bond Trustee, the Index Rate Holder, the Remarketing Agent, the Auction Agent, the Broker-Dealer(s), the Tender Agent, any Liquidity Provider and any Credit Provider by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders of the Bonds (other than Short-Term Rate Bonds or Long-Term Rate Bonds) by the Bond Trustee by Electronic Notice, confirmed by first class mail. No cancellation of a conversion pursuant to this Section 2.03(k)(5) shall constitute an Event of Default hereunder.

SECTION 2.04. Fixed Rate Conversion at Option of the Corporation. At the option of the Corporation, all (but not less than all) of the Bonds with interest payable at a Variable Rate, Short-Term Rate, FRN Rate, RTV Rate, Window Variable-Rate, Index Rate or Long-Term Rate or constituting Auction Bonds may be converted to bear interest accruing at a Fixed Rate to their maturity. Any such conversion shall be made as follows:

(a) The Fixed Rate Conversion Date may be any date on which the Bonds are subject to optional redemption pursuant to Section 4.01.

(b) The Corporation shall give written notice of its intent to exercise its option to effect any such conversion to (1) in all cases, the Authority, the Bond Trustee and each Rating Agency then maintaining a rating on the Bonds, (2) in the case of Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Long-Term Rate Bonds, the Remarketing Agent the Tender Agent, any Liquidity Provider and any Credit Provider, (3) in the case of Auction Bonds, the Auction Agent and the Broker-Dealer(s), and (4) in the case of Index Rate Bonds, the Index Agent by Electronic Notice confirmed in writing not less than five days (or such shorter period as shall be acceptable to the applicable parties) prior to (A) the date on which the Bond Trustee is required to notify the Holders of the conversion pursuant to Section 2.04(c), or (B) the Conversion Date (if the Bonds are Short-Term Rate Bonds, Long-Term Rate Bonds or RTV Rate Bonds bearing interest at an RTV Extension Rate). Such notice shall specify the proposed Fixed Rate Conversion Date. Additionally, such notice shall confirm the appointment, subject to and in accordance with the requirements of this Bond Indenture (including Sections 4.13 and 4.14) of a qualified Remarketing Agent to act as Remarketing Agent for the Bonds in connection with the mandatory tender of the Bonds by reason of such conversion and the appointment, subject to and in accordance with this Bond Indenture (including Section 4.07), of a qualified Tender Agent to act as Tender Agent in such connection; provided, however, that no such confirmations and no such appointments shall be required if the Bonds are then Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds,

Window Variable-Rate Bonds or Long-Term Rate Bonds, and the Remarketing Agent and the Tender Agent then acting with respect to the Bonds are obligated to perform their duties and responsibilities with respect to the mandatory tender of the Bonds by reason of such conversion.

(c) For Bonds other than Short-Term Rate Bonds, Long-Term Rate Bonds or RTV Rate Bonds bearing interest at an RTV Extension Rate, not fewer than 15 days prior to the proposed Fixed Rate Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. For Bonds bearing interest at an RTV Extension Rate, no later than the Fixed Rate Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. Each such notice shall set forth the information required by Section 4.11(d).

(d) No more than 35 days nor less than one day prior to the Fixed Rate Conversion Date, the Remarketing Agent shall determine the Fixed Rate with respect to the Bonds and make the Fixed Rate available to the Bond Trustee. All of the Bonds shall have the same maturity date and bear interest at the same Fixed Rate on and after the Fixed Rate Conversion Date unless, on the date the Remarketing Agent determines the Fixed Rate, the Remarketing Agent also determines that the Bonds would bear a lower effective net interest cost if the Bonds were serial bonds or serial bonds and term bonds with the maturity (or Mandatory Sinking Account Payment) dates and principal amounts matching the Mandatory Sinking Account Payments, in which event the Bonds shall become serial bonds or serial bonds and term bonds with such maturity (or Mandatory Sinking Account Payment) dates and principal amounts and shall bear separate Fixed Rates for each maturity. The Fixed Rate shall be the rate of interest per annum borne by the Bonds on and after such Fixed Rate Conversion Date and shall be the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause the Bonds to have a market value equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination, except as otherwise provided in Section 2.04(g). Not later than Noon, New York City time, on the Business Day prior to the Conversion Date, the Remarketing Agent shall determine the Fixed Interest Rate for the Bonds. Such determination shall be conclusive and binding upon the Corporation, the Authority, the Bond Trustee, the Remarketing Agent, the Index Agent and the Holders, in all instances, any Credit Provider and any Liquidity Provider (in the case of conversion of Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Long-Term Rate Bonds) or the Auction Agent and the Broker-Dealer(s) (in the case of conversion of Auction Bonds). No later than 4:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall communicate the Fixed Rate by Electronic Notice to the Bond Trustee, the Corporation, any Credit Provider and any Liquidity Provider (in the case of conversion of Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Long-Term Rate Bonds) or to the Auction Agent and the Broker-Dealer(s) (in the case of conversion of Auction Bonds). The foregoing notwithstanding, the Authority may agree to a different amortization of the principal of the Bonds after the Conversion Date if (1) the Remarketing Agent deems the utilization of such other method necessary in order to remarket the Bonds at a price of par, and (2) there is delivered

to the Bond Trustee and the Authority by the Corporation an Opinion of Bond Counsel to the effect that utilization of such other method will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled.

(e) Any conversion pursuant to this Section shall be subject to the conditions that, on or before the Fixed Rate Conversion Date, the Corporation shall have delivered to the Authority, the Bond Trustee, the Remarketing Agent, any Credit Provider and the Auction Agent and the Broker-Dealers (in the case of conversion of Auction Bonds) or any Liquidity Provider (in the case of conversion of Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Long-Term Rate Bonds) an Opinion of Bond Counsel to the effect that the conversion is authorized by this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled.

(f) Notwithstanding the Corporation's delivery of notice of the exercise of its option to effect a Fixed Rate conversion pursuant to Section 2.04(b) above, such conversion to the Fixed Rate shall not take effect if:

(1) The Corporation withdraws such notice of conversion not later than 10:00 a.m., New York City time, on the Business Day preceding the date on which the Fixed Rate is to be determined;

(2) The Remarketing Agent fails to determine the Fixed Rate;

(3) The notice to Holders required by Section 2.04(c) is not given when required;

(4) The Corporation fails to deliver the opinions referred to in Section 2.04(d) (if applicable) or Section 2.04(e);

(5) Sufficient funds are not available, by Noon (New York City time), on the Fixed Rate Conversion Date to purchase all the Bonds on the Fixed Rate Conversion Date; or

(6) In the case of conversion from an RTV Rate Period, an Index Rate Period or Window Variable-Rate Period, not all of the Bonds are remarketed in the new Interest Rate Mode on the Fixed Rate Conversion Date.

In any of such events:

(A) The Fixed Rate Conversion Date shall not occur, whether or not notice of the conversion has been given to the Holders,

(B) Unless an Event of Default relating to any failure to make Required Liquidity Payments when due shall occur and be continuing (in such case, the Bonds will bear interest as provided in Section 4.12), the Bonds:

(i) Bearing interest at a Variable Rate shall continue to bear interest at a Variable Rate determined as otherwise provided in Section 2.03;

(ii) Bearing interest at a Window Variable-Rate shall continue to bear interest at a Window Variable-Rate determined as otherwise provided in Section 2.03;

(iii) Bearing interest at a RTV Rate shall continue to bear interest at an RTV Rate determined as otherwise provided in *Exhibit C*;

(iv) Bearing interest at a Short-Term Rate shall bear interest as determined in Section 4.12(c) until all of such Bonds have been remarketed;

(v) Bearing interest at a Long-Term Rate shall bear interest as determined in Section 4.12(c) until all of such Bonds have been remarketed;

(vi) Bearing interest at an FRN Rate shall continue to bear interest at the FRN Rate then in effect until all of such Bonds have been remarketed, unless the proposed Conversion was to occur on a date that is already a Purchase Date for FRN Rate Bonds, in which case such FRN Rate Bonds shall bear interest as determined in Section 4.12 until all of such Bonds have been remarketed; and

(vii) Bearing interest at an Index Rate shall continue to bear interest at the Index Rate then in effect for the Index Rate Period commencing on the proposed Fixed Rate Conversion Date and for successive Index Rate Periods, the Index Rate shall be determined in accordance with this Bond Indenture as if the proposed conversion to a Fixed Rate had not occurred; and

(C) The mandatory tender of the Bonds on the Conversion Date pursuant to Section 4.11(a)(1) shall not occur, whether or not notice of the conversion has been given to the Holders. Notice of withdrawal of a conversion notice shall be given by the Corporation to the Authority, the Bond Trustee, the Remarketing Agent, the Tender Agent, any Credit Provider, any Liquidity Provider (in the case of conversion of Variable Rate Bonds or Window Variable-Rate Bonds), the Index Agent (in the case of a conversion of Index Rate Bonds), and the Auction Agent and the Broker-Dealer(s) (in the case of conversion of Auction Bonds) by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders of the Bonds (other than Short-Term Rate Bonds or Long-Term Rate Bonds) by the Bond Trustee by Electronic Notice, confirmed by first class mail. No cancellation of conversion to the Fixed Rate pursuant to this Section 2.04(f) shall constitute an Event of Default hereunder.

(g) Notwithstanding the provisions of Section 2.04(d) and Section 4.15, the Fixed Rate for the Bonds may be the rate or rates of interest per annum determined by the Remarketing Agent to be the interest rate or rates which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on the date and at the time of such determination at a price which will result in the lowest net interest cost for the Bonds, determined by (i) taking into account any premium or discount at which the Bonds are sold by the Remarketing Agent and (ii) assuming

that the Bonds will be paid or redeemed at their stated redemption price on the mandatory or optional redemption date that would produce the lowest net interest cost on the Bonds; provided, that in connection with selling the Bonds at a premium or discount:

(1) The Remarketing Agent certifies to the Tender Agent, the Bond Trustee and the Corporation that the sale of the Bonds at the interest rate and premium or discount specified by the Remarketing Agent is expected to result in the lowest net interest cost for such Bonds on the commencement date of the Fixed Rate Period;

(2) The Corporation consents in writing to the sale of the Bonds by the Remarketing Agent at such premium or discount;

(3) In the case of Bonds to be sold at a discount, either (A) a Liquidity Facility is in effect with respect to the Bonds and provides for the purchase of such Bonds at such discount, or (B) the Corporation agrees to transfer to the Tender Agent on the commencement date of such Fixed Rate Period, in immediately available funds, for deposit in the Corporation Purchase Account, an amount equal to such discount;

(4) In the case of Bonds to be sold at a premium, the Remarketing Agent shall transfer to the Bond Trustee for deposit in the Bond Fund an amount equal to such premium;

(5) On or before the date of the determination of the Fixed Rate, the Corporation delivers to the Bond Trustee, the Authority and the Remarketing Agent a letter of Bond Counsel to the effect that Bond Counsel expects to be able to give an Opinion of Bond Counsel to the effect that such determination of the interest rate will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled, on or before the commencement date of the Fixed Rate Period; and

(6) On or before the commencement date of the Fixed Rate Period, an Opinion of Bond Counsel to the effect that such determination of the interest rate will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled shall have been received by the Bond Trustee and the Authority and confirmed to the Corporation and the Remarketing Agent.

SECTION 2.05. Terms of Auction Bonds; Conversion of Auction Bonds (Other than Fixed Rate Conversion).

(a) The Auction Bonds shall be subject to the provisions set forth in *Exhibit B* attached hereto. If any provision herein conflicts with any provision set forth in *Exhibit B* attached hereto, the provisions set forth in *Exhibit B* shall govern with respect to Auction Bonds.

(b) At the option of the Corporation, all (but not less than all) Auction Bonds may be converted to Variable Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, FRN Rate Bonds, RTV Rate Bonds, Window Variable-Rate Bonds, Index Rate Bonds or Long-Term Rate Bonds as follows (in an amount which is an Authorized Denomination for the new Interest Rate Mode):

(1) In any such case, the Conversion Date shall be the first day following an Interest Payment Period for the Auction Bonds. Interest shall accrue on the Bonds in the new Interest Rate Mode, commencing on such day, whether or not a Business Day. Any action required to be taken on the Conversion Date, if such day is not a Business Day, shall be taken on the next succeeding Business Day with the same effect as if it had occurred on the Conversion Date.

(2) The Corporation shall give written notice of its intent to exercise its option to effect any such conversion to the Authority, the Auction Agent, the Broker-Dealer(s) and the Bond Trustee by Electronic Notice confirmed in writing not fewer than five days (or such shorter period as shall be acceptable to the applicable parties) prior to the date on which the Bond Trustee is required to notify the Holders of the conversion pursuant to Section 2.05(b)(3). Such notice shall specify the proposed Conversion Date and shall confirm the appointment, subject to and in accordance with the requirements of this Bond Indenture (including Sections 4.13 and 4.14), of (A) a qualified Remarketing Agent to act as Remarketing Agent for the Bonds in connection with such conversion and thereafter for so long as such Bonds are Variable Rate Bonds, Short-Term Rate Bonds, RTV Rate Bonds, Window Variable-Rate Bonds or Long-Term Rate Bonds or (B) a qualified Market Agent to act as Market Agent and a qualified Index Agent to act as Index Agent for the Bonds in connection with such conversion and, with respect to the Index Agent only, thereafter for so long as the Bonds are Index Rate Bonds and the appointment, subject to and in accordance with this Bond Indenture (including Section 4.07), of a qualified Tender Agent to act as Tender Agent for the Bonds in connection with such conversion and thereafter for so long as the Bonds are Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds, Index Rate Bonds or Long-Term Rate Bonds.

(3) Not fewer than 15 days prior to the proposed Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first-class mail, of the conversion and of mandatory tender of the Bonds to the Holders at their addresses as they appear on the registration books of the Bond Trustee as of the date notice of the election is received by the Bond Trustee from the Corporation. Such notice shall set forth the information required by Section 4.11(d).

(4) Any conversion pursuant to this Section shall be subject to the condition that, on or before the Conversion Date, the Corporation shall have delivered to the Authority, the Remarketing Agent or Index Agent and the Bond Trustee an Opinion of Bond Counsel to the effect that the conversion is authorized by this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled.

(5) Notwithstanding the Corporation's delivery of notice of the exercise of its option to effect a conversion pursuant to Section 2.05(b)(2), such conversion shall not take effect if: (A) the Corporation withdraws such notice of the exercise of its option to effect conversion not later than 10:00 a.m., New York City time, on the Business Day preceding the date on which the interest rate at the new Interest Rate Mode is to be determined; (B) the Remarketing Agent fails to determine the interest rate at the new

Interest Rate Mode; (C) the notice to Holders required by Section 2.05(b)(3) is not given when required; or (D) the Corporation fails to deliver to the Authority, the Remarketing Agent and the Bond Trustee the opinion referred to in Section 2.05(b)(4). In any of such events, (i) the Conversion Date shall not occur, (ii) the Bonds shall continue to be payable at the Auction Rate for the balance of the Interest Payment Period then applicable thereto (without regard to the attempted conversion) and shall bear interest for the next succeeding Interest Payment Period at the Auction Rate determined in accordance with *Exhibit B* hereto if the Corporation withdraws notice of the exercise of its option to effect conversion and the next succeeding Auction Date occurs more than two Business Days after the Business Day on which the Bond Trustee receives notice of withdrawal of the conversion from the Corporation, and (iii) the mandatory tender of the Bonds on the Conversion Date shall not occur, whether or not notice of the conversion has been given to the Holders. Notice of withdrawal of a conversion notice shall be given by the Corporation to the Authority, the Bond Trustee, the Auction Agent, the Broker-Dealer(s), the Remarketing Agent or Index Agent and the Tender Agent by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders by the Bond Trustee by Electronic Notice, confirmed by first-class mail. No cancellation of a conversion pursuant to this Section 2.05(b)(5) shall constitute an Event of Default hereunder.

SECTION 2.06. Execution of Bonds. The Bonds shall be executed in the name and on behalf of the Authority with the manual or facsimile signature of its Chair and either its Secretary or its Executive Director. The Bonds shall then be delivered to the Bond Trustee for authentication by it. In case any of the officers of the Authority who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the Authority before the Bonds, so signed or attested, shall have been authenticated or delivered by the Bond Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those persons who signed and attested the same had continued to be such officers of the Authority. In addition, any Bond may be signed and attested on behalf of the Authority by any person who, at the actual date of execution of such Bond, shall be the proper officer of the Authority even though, on the nominal date of such Bond, such person was not such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication substantially in the form hereinbefore recited, manually executed by the Bond Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Bond Indenture, and such certificate of the Bond Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Bond Indenture.

SECTION 2.07. Transfer of Bonds.

(a) Subject to Section 2.07(d), any Bond may, in accordance with its terms, be transferred upon the registration books required to be kept pursuant to the provisions of Section 2.09, by the person in whose name it is registered, in person or by his attorney duly authorized in writing, upon surrender of such Bond for cancellation at the Corporate Trust Office of the Bond

Trustee, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Bond Trustee.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Bond Trustee shall authenticate and deliver a new Bond or Bonds of any Authorized Denomination or Authorized Denominations of the same maturity and for a like aggregate principal amount. The Bond Trustee shall require the Holder requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

(c) In no event (other than pursuant to and in accordance with Article IV) shall any Bond selected by the Bond Trustee for redemption or with respect to which the Tender Agent has received notice from the Holder thereof that such Bond will be delivered for purchase on or before the next Interest Payment Date be transferred under this Section.

(d) With respect to the transfer of Index Rate Bonds, unless waived in writing by the Authority, the Bond Trustee shall not effect, permit or recognize any sale, offer for sale, exchange, transfer, assignment, pledge or hypothecation of any Index Rate Bond to any Person: (A) except with respect to a transfer to an Index Rate Holder Affiliate, prior to receipt by the Bond Trustee of an Investment Letter, duly executed and delivered by the purchaser, transferee, assignee or pledgee of such Index Rate Bond and (B) if additional conditions are set forth in the Index Rate Agreement, in accordance therewith, evidenced by a certificate delivered to the Bond Trustee and the Authority establishing compliance therewith.

SECTION 2.08. Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Bond Trustee for a like aggregate principal amount of Bonds of any Authorized Denomination or Authorized Denominations of the same maturity. The Bond Trustee shall require the Holder requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

In no event (other than pursuant to and in accordance with Article IV) shall any Bond selected by the Bond Trustee for redemption or with respect to which the Tender Agent has received notice from the Holder thereof that such Bond will be delivered for purchase on or before the next Interest Payment Date be exchanged under this Section.

SECTION 2.09. Bond Register. The Bond Trustee will keep or cause to be kept sufficient books for the registration, transfer and exchange of the Bonds, which shall be open to inspection by the Authority, the Corporation, any Credit Provider and any Liquidity Provider upon reasonable advance notice and during normal business hours; and, upon presentation of any Bonds for such purpose, the Bond Trustee shall, under such reasonable procedures as it may prescribe, register, transfer or exchange, or cause to be registered, transferred or exchanged, such Bonds on such books as hereinabove provided. The Authority and the Bond Trustee may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Trustee as the absolute Holder of such Bond for the purpose of payment of Required Bond Payments with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond and for all other purposes whatsoever, and the Authority and the Bond Trustee shall not be affected by any notice to the contrary.

The Bond Trustee shall pay Required Bond Payments only to or upon the order of the Holders of the Bonds, as shown in the registration books kept by the Bond Trustee, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of Required Bond Payments to the extent of the sum or sums so paid (in each case, except as otherwise provided in Section 2.15). No person other than a Holder, as shown in the registration books kept by the Bond Trustee, shall receive a Bond evidencing the obligation of the Authority to make Required Bond Payments pursuant to this Bond Indenture.

SECTION 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Holder of such Bond, shall execute, and the Bond Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Bond Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Bond Trustee shall be canceled by it in accordance with its customary procedures. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Bond Trustee and the Authority, and if such evidence is satisfactory to each of them and indemnity satisfactory to the Authority and the Bond Trustee shall be given to each of them, then, at the expense of the Holder, the Authority shall execute, and the Bond Trustee shall authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen; provided that if any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Bond Trustee may pay the same without surrender thereof. The Authority may require payment by the Holder of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses (including fees of counsel) which may be incurred by the Authority and the Bond Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original contractual obligation on the part of the Authority, and shall be entitled to the benefits of this Bond Indenture with all other Bonds secured by this Bond Indenture.

SECTION 2.11. Bank Bonds. Notwithstanding anything in this Bond Indenture to the contrary, (a) each Bank Bond shall bear interest on the outstanding principal amount thereof at the Bank Rate applicable to such Bank Bond in accordance with the Liquidity Facility or any related Liquidity Facility Agreement (as calculated by the Liquidity Provider with respect to such Liquidity Facility in accordance with such Liquidity Facility or such Liquidity Facility Agreement and advised by such Liquidity Provider to the Bond Trustee) for each day from and including the day such Bank Bond becomes a Bank Bond to and excluding the day such Bank Bond ceases to be a Bank Bond (as hereinafter described) or is paid in full or is surrendered to the Bond Trustee for cancellation, (b) interest on each Bank Bond shall be calculated on the basis of a 365 day year or a 360 day year, as applicable to the Bank Rate, in accordance with the Liquidity Facility or any related Liquidity Facility Agreement and the actual number of days elapsed, and (c) interest on each Bank Bond shall be payable on such dates as are specified in the Liquidity Facility or any related Liquidity Facility Agreement as "Interest Payment Dates" for such Bank Bond. A Bank Bond shall cease to be a Bank Bond only (A) if such Bank Bond is remarketed and transferred or otherwise released by the Tender Agent upon authorization of the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bond, pursuant to and in accordance with Section 4.15(d) hereof, or (B) if such Bank Bond otherwise ceases to be a Bank Bond in accordance with the terms of the Liquidity Facility or any related Liquidity

Facility Agreement (it being acknowledged and agreed that it shall be presumed for all purposes of this Bond Indenture that each Bank Bond shall cease to be a Bank Bond pursuant to this clause (B) only if the Corporation, the Remarketing Agent, the Tender Agent and the Bond Trustee have received written notice to that effect from the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bond).

Subject to the effectiveness of a book-entry system with respect to the Bonds, payment of interest on Bank Bonds due on any Interest Payment Date therefor shall be made by the Bond Trustee by wire transfer of immediately available funds to the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bond, in accordance with the payment instructions for such Liquidity Provider set forth in such Liquidity Facility or any related Liquidity Facility Agreement or in accordance with such other payment instructions as shall be furnished to the Bond Trustee by such Liquidity Provider for such purpose. If not all Bonds are Bank Bonds, payments of interest on Bank Bonds with respect to which a book-entry system is in effect, for the purposes of such book-entry system only, shall be in the amount of interest that would be payable on such Bank Bonds if such Bank Bonds were not Bank Bonds; provided, however, that such payments of interest shall be supplemented as provided in the next succeeding paragraphs of this Section. If all Bonds are Bank Bonds, then payments of interest on Bank Bonds with respect to which a book-entry system is in effect, for the purposes of such book-entry system, shall be in the amounts determined on the terms of the Bank Rate applicable to the respective Bank Bonds and on the Interest Payment Dates with respect thereto, without supplement as provided in the next succeeding paragraphs of this Section.

If (while a book-entry system is in effect with respect to the Bonds) an Interest Payment Date for any Bank Bonds occurs on a date which would not be an Interest Payment Date for such Bank Bonds if such Bank Bonds were not Bank Bonds (e.g., the date of remarketing of such Bank Bonds), then, except if all Bonds are Bank Bonds, the Corporation shall pay to the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bonds, or the Corporation shall instruct the Bond Trustee to withdraw from the Bond Fund and pay to such Liquidity Provider (in either case, by wire transfer as provided above), the full amount of the interest due on such Bank Bonds on such Interest Payment Date, calculated at the Bank Rate with respect to such Bank Bonds and on the basis of a 365 day year or a 360 day year, as applicable to such Bank Rate in accordance with the Liquidity Facility or any related Liquidity Facility Agreement, and the actual number of days elapsed.

If (while a book-entry system is in effect with respect to the Bonds) any Bonds shall be Bank Bonds on an Interest Payment Date, then, except if all Bonds are Bank Bonds, the Corporation shall pay to the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bonds, or the Corporation shall instruct the Bond Trustee to withdraw from the Bond Fund and pay to such Liquidity Provider (in either case, by wire transfer as provided above), the amount of the difference between (a) interest due on such Bank Bonds on such Interest Payment Date, calculated at the Bank Rate with respect to such Bank Bonds and on the basis of a 365 day year or a 360 day year, as applicable to such Bank Rate in accordance with the Liquidity Facility or any related Liquidity Facility Agreement and the actual number of days elapsed, and (b) interest that would be due on such Bank Bonds on such Interest Payment Date if such Bank Bonds were not Bank Bonds.

SECTION 2.12. Book-Entry Bonds; Securities Depository. The Bonds shall be issued initially in the form of a separate single fully registered Bond, which may be typewritten, and shall be registered in the registration books kept by the Bond Trustee in the name of the initial Index Rate Holder. When the Bonds are no longer Index Rate Bonds or with the consent of the Index Rate Holder during an Index Rate Period, the Bonds may be transferred to the Nominee, as nominee of the Securities Depository.

With respect to Bonds registered in the registration books kept by the Bond Trustee in the name of the Nominee, the Authority and the Bond Trustee shall have no responsibility or obligation to any Securities Depository Participant or to any Person on behalf of which a Securities Depository Participant holds an interest in the Bonds (except as otherwise provided in Section 2.15). Without limiting the foregoing sentence (and except as otherwise provided in Section 2.15), the Authority and the Bond Trustee shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Securities Depository, the Nominee, or any Securities Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Securities Depository Participant or any other Person, other than as shown in the registration books kept by the Bond Trustee, of any notice with respect to the Bonds, including any notice of redemption, (c) the selection by the Securities Depository and its Securities Depository Participants of the beneficial interests in the Bonds to be redeemed in the event the Bonds are redeemed in part, or (d) the payment to any Securities Depository Participant or any other Person, other than a Nominee as shown in the registration books kept by the Bond Trustee, of Required Bond Payments.

Upon delivery by the Securities Depository to the Nominee, the Bond Trustee and the Authority of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word "Nominee" in this Bond Indenture shall refer to such new nominee of the Securities Depository.

SECTION 2.13. Transfers Outside Book-Entry System. The Authority may, with the consent of the Corporation, by written notice, at any time or for any reason, remove the Securities Depository and appoint a successor or successors thereto. In the event that (a) the Securities Depository determines not to continue to act as securities depository for the Bonds, or (b) the Authority determines that the Securities Depository will no longer so act, then the Authority shall, with the consent of the Corporation, discontinue the book-entry system with the Securities Depository. If the Authority fails to identify another qualified securities depository to replace the Securities Depository, then the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Trustee in the name of the Nominee, but shall be registered in whatever name or names the Holders of such Bonds transferring or exchanging such Bonds shall designate, in accordance with the provisions of Sections 2.07 and 2.08.

SECTION 2.14. Payments and Notices to the Nominee. Notwithstanding any other provision of this Bond Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all Required Bond Payments and all notices with respect to such Bond shall be made and given, respectively, as provided in the representation letter with the Securities Depository or as otherwise instructed in writing by the Securities Depository (in each case, except as otherwise provided in Section 2.15).

SECTION 2.15. Certain Exceptions. Notwithstanding the effectiveness of a book-entry system with respect to the Bonds, and notwithstanding anything in this Bond Indenture to the contrary, the Bond Trustee and the Tender Agent shall (a) perform such duties and responsibilities with respect to the payment and transfer of Bank Bonds as are specifically provided for in this Bond Indenture, (b) furnish to any Liquidity Provider with respect to the Bonds a copy of each notice or other communication provided or required to be provided to Holders of the Bonds (or the Securities Depository) pursuant to this Bond Indenture, (c) cause Bank Bonds to be redeemed prior to the redemption of other Bonds, and (d) ensure that amounts paid by each Liquidity Provider under each Liquidity Facility are applied in accordance with the provisions of this Bond Indenture.

SECTION 2.16. Tender and Payment Procedures. Notwithstanding anything in this Bond Indenture to the contrary (other than anything contained herein relating to Bank Bonds and the Liquidity Provider), so long as a book-entry system shall be in effect with respect to the Bonds, (i) all tenders and deliveries of Bonds, as well as payment of the Purchase Price of tendered and/or deemed tendered Bonds, under the provisions of this Bond Indenture shall be made pursuant to the delivery order or other applicable procedures of the Securities Depository as in effect from time to time, and (ii) all references in this Bond Indenture to “Holder” and to “Bonds” in the context of tenders and rights and obligations to tender, remarket and/or purchase (including, without limitation, in Sections 4.09, 4.10, 4.11, 4.12, 4.15 and 4.16, and *Exhibit C*) shall be deemed to be references to “holders of beneficial interests in bonds” and to “beneficial interests in Bonds,” respectively, and are hereinafter referred to in this section as “Beneficial Owners.”

For so long as the Bonds are registered in the name of Cede & Co., as nominee for DTC, the tender option rights of Beneficial Owners of Bonds may be exercised only by a Direct Participant of DTC acting, directly or indirectly, on behalf of a Beneficial Owner of Bonds by giving notice of its election to tender Bonds or portions thereof at the times and in the manner described above. Beneficial Owners will not have any rights to tender Bonds directly to the Tender Agent. Procedures under which a Beneficial Owner may direct a Direct Participant or DTC, or an Indirect Participant of DTC acting through a Direct Participant of DTC, to exercise a tender option right in respect of Bonds or portions thereof in an amount equal to all or a portion of such Beneficial Owner’s beneficial ownership interest therein shall be governed by standing instructions and customary practices determined by such Direct Participant or Indirect Participant. For so long as the Bonds are registered in the name of Cede & Co., as nominee for DTC, delivery of Bonds required to be tendered for purchase shall be effected by the transfer by a Direct Participant on the applicable Purchase Date of a book-entry credit to the account of the Tender Agent of a beneficial interest in such Bonds.

Notwithstanding anything expressed or implied in the Bond Indenture to the contrary, so long as a book entry system for the Bonds is maintained:

(a) There shall be no requirement of physical delivery to or by the Bond Trustee or the Remarketing Agent of:

(1) Any Bonds subject to mandatory or optional purchase as a condition to the payment of the Purchase Price therefor;

(2) Any Bonds that have become Bank Bonds; or

(3) Any remarketing proceeds of such Bonds or Bank Bonds or Liquidity Provider Bonds; and

(b) Except as expressly provided in the Bond Indenture with respect to Bonds in a book entry only system, the Tender Agent shall not have any responsibility for paying the Purchase Price of any tendered Bond or for remitting remarketing proceeds to any person.

SECTION 2.17. Validity of Bonds. The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Authority or the Bond Trustee with respect to or in connection with the Loan Agreement.

SECTION 2.18. Calculation Agent.

(a) The Calculation Agent shall be the Bond Trustee, or such other person as the Corporation may appoint meeting the requirements of this Section 2.18. The Corporation shall appoint any successor Calculation Agent for the Bonds, subject to the conditions set forth in Section 2.18(b). Any Calculation Agent which is not also the Bond Trustee shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Authority, the Corporation and the Bond Trustee in which the Calculation Agent will agree to perform all calculations and provide all notices required of the Calculation Agent under this Bond Indenture.

(b) The Calculation Agent shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof and shall be authorized by law to perform all the duties imposed upon it by this Bond Indenture. The Calculation Agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture by giving at least 60 days' notice to the Authority, the Corporation, the Bond Trustee, the Tender Agent, the Remarketing Agent and the Liquidity Provider, if any. Upon receipt of such notice, during any Interest Rate Mode in which the services of a Calculation Agent are required under this Bond Indenture, the Corporation has agreed in the Loan Agreement to diligently seek to appoint a successor Calculation Agent to assume the duties of the Calculation Agent on the effective date of the prior Calculation Agent's resignation. In the event that the Corporation shall fail to appoint a successor Calculation Agent in a timely manner when required under this Bond Indenture, the Bond Trustee shall either (i) appoint a Calculation Agent to act as such, or (ii) petition any court of competent jurisdiction for the appointment of a successor Calculation Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Calculation Agent; provided however, that during the pendency of any such petition the Bond Trustee shall itself act as Calculation Agent, service in any such case shall commence on the effective date of the resignation of the prior Calculation Agent and to remain in effect until a successor Calculation Agent assumes such position in accordance with the provisions hereof. The Calculation Agent may be removed at any time by written notice from the Corporation to the Authority, the Bond Trustee, the Tender Agent, any Liquidity Provider, any Credit Provider and the Remarketing Agent; provided, that such removal shall not be effective until a successor Calculation Agent assumes such position in accordance with the provisions hereof.

(c) The Bond Trustee shall, within 30 days of the resignation or removal of the Calculation Agent or the appointment of a successor Calculation Agent, give notice thereof by Electronic Notice, confirmed by first class mail, to the registered owners of the Bonds.

(d) Promptly after determining any interest rate required to be determined by the Calculation Agent under this Bond Indenture, the Calculation Agent shall provide Electronic Notice to the Bond Trustee, the Authority, the Authority's financial advisor (at such address as may be provided by the Authority from time to time), the Tender Agent, the Remarketing Agent, and any requesting Holder.

SECTION 2.19. Form of Bonds. The Bonds shall initially be issued in substantially the same form as *Exhibit A* hereto, which is incorporated herein by this reference; provided, that on and after a Conversion Date, the Bonds shall be in a form similar to *Exhibit A* hereto, but with such changes as may be necessary or appropriate to conform such Bonds to the provisions of this Bond Indenture applicable to the Bonds following such Conversion Date; and provided further, that during any period the Bonds are held in a book-entry system, the Bonds shall be in a form similar to *Exhibit A* hereto, but with such changes as may be necessary or appropriate to conform such Bonds to the applicable provisions of this Bond Indenture as are in effect during any period the Bonds are held in a book-entry system.

All Index Rate Bonds shall include the following legend featured prominently on the first page of such Bond:

EXCEPT WITH RESPECT TO TRANSFERS TO AN INDEX RATE HOLDER AFFILIATE, TRANSFERS OF THIS BOND ARE RESTRICTED TO INVESTORS WHO (I) EXECUTE AN INVESTMENT LETTER SUBSTANTIALLY IN THE FORM ATTACHED TO THE BOND INDENTURE AND (II) BY THEIR PURCHASE OF THIS BOND REPRESENT THAT THEY (A) ARE PURCHASING THIS BOND SOLELY FOR THEIR OWN ACCOUNT WITH NO PRESENT INTENT TO TRANSFER THIS BOND, (B) CAN BEAR THE ECONOMIC RISK OF THEIR INVESTMENT IN THIS BOND, (C) MEET THE TRANSFER REQUIREMENTS SET FORTH IN THE INDEX RATE AGREEMENT, AND (D) HAVE MADE THE DECISION TO PURCHASE THIS BOND BASED ON THEIR OWN INDEPENDENT INVESTIGATION REGARDING THIS BOND AND HAVE RECEIVED THE INFORMATION THEY CONSIDER NECESSARY TO MAKE AN INFORMED DECISION TO INVEST IN THIS BOND. THE PURCHASER OF THIS BOND IS DEEMED TO HAVE SO REPRESENTED.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. Issuance of Bonds. At any time after the execution of this Bond Indenture, the Authority may execute and the Bond Trustee shall authenticate and, upon the direction of the Authority, deliver the Bonds in the aggregate principal amount of \$51,400,000 to or at the direction of the Original Purchaser.

SECTION 3.02. Application of Sale Proceeds of Bonds. The aggregate proceeds received from the sale of the Bonds (equal to the principal amount of the Bonds of \$51,400,000.00) shall be deposited in trust with the Bond Trustee, who shall forthwith deposit the full amount of such proceeds to the Project Fund. Immediately upon such deposit, the Bond Trustee shall then transfer all such funds from the Project Fund to the Series 2002B Bond Trustee, to be applied to the current refunding, payment and redemption of the Series 2002B Bonds pursuant to the Refunding Plan.

SECTION 3.03. [Reserved].

SECTION 3.04. Establishment and Application of Project Fund. The Bond Trustee shall establish, maintain and hold in trust a separate fund designated as the "WHCFA Series 2015A Project Fund" (the "Project Fund"). Moneys in the Project Fund shall be paid in accordance with Section 3.02. The Bond Trustee shall close the Project Fund upon application of the funds therein in accordance with Section 3.02.

ARTICLE IV

REDEMPTION AND PURCHASE OF BONDS

SECTION 4.01. Terms of Redemption.

(a) The Variable Rate Bonds and Window Variable-Rate Bonds are subject to redemption prior to their respective stated maturities by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on any Business Day, in whole or in part in such amounts as are designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption.

(b) The RTV Rate Bonds are subject to redemption prior to their respective stated maturities, by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on any date, in whole or in part in such amounts as are designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption; provided no RTV Rate Bonds shall be optionally redeemed in whole or in part unless all RTV Rate Bonds bearing interest at an RTV Extension Rate on or as of the date notice of such optional redemption is given are redeemed and that if less than all RTV Rate Bonds are optionally redeemed, RTV Rate Bonds bearing interest at an RTV Extension Rate shall be selected for redemption before RTV Rate Bonds bearing interest at an RTV Weekly Rate immediately following the applicable optional redemption date.

(c) The Auction Bonds are subject to redemption prior to their respective stated maturities, by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on the Interest Payment Date immediately following the end of an Auction Period, in whole or in part in such amounts as are designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, provided that after any optional

redemption there shall be not less than \$10,000,000 in aggregate principal amount of Outstanding Auction Bonds bearing interest at an Auction Rate unless otherwise consented to by the Broker-Dealers.

(d) The Short-Term Rate Bonds are subject to redemption prior to their respective stated maturities, by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on any Interest Payment Date for such Short-Term Rate Bonds, in whole or in part in such amounts as are designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption.

(e) The FRN Rate Bonds are subject to redemption prior to their respective stated maturities, by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on any date during the period beginning 180 days prior to the last day of the FRN Rate Period and ending on the last day of the FRN Rate Period, in whole or in part in such amounts as are designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption.

(f) The Index Rate Bonds are subject to redemption prior to their respective stated maturities by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on any date, in whole or in part in such amounts as are designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption.

(g) The Bonds are also subject to redemption prior to their respective stated maturities, by the Authority, upon the direction of the Corporation, as a whole or in part on any date in such amounts and from such maturities as are designated by the Corporation (or, if the Corporation fails to designate such maturities, in inverse order of maturity) and in any manner which the Bond Trustee shall deem appropriate and fair within a maturity from moneys deposited in the Bond Fund pursuant to Section 4.4 of the Loan Agreement, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, if (1) any member of the CHI Credit Group, by reason of final judicial, legislative or administrative action, either is legally required by reason of being a member of the CHI Credit Group or a user of the proceeds of the Bonds or as a condition of continued eligibility for reimbursement or payment under a federal or state program, to operate in any manner that the Corporation in good faith believes to be contrary to the Ethical and Religious Directives or the principles and beliefs of the Roman Catholic Church, or (2) the Corporation in good faith believes that there is a substantial threat that a member of the CHI Credit Group or a user of the proceeds of the Bonds will or may be required to operate contrary to the Ethical and Religious Directives or the principles and beliefs of the Roman Catholic Church, or (3) as a result of any changes in the Constitution of the United States of America or any state or any legislative or administrative action or inaction by the United States of America or any state, or any agency or political subdivision thereof, or by reason of any judicial decisions, there is a good faith determination by the Corporation that (A) the Capital Obligation Document has become void or unenforceable or performance thereunder has become legally impossible or (B) unreasonable burdens or excessive liabilities have been imposed on any or all of the members of the CHI

Credit Group, including without limitation, federal, state or other *ad valorem* property, income or other taxes not being imposed on the Date of Issue resulting in cessation of operations of any member of the CHI Credit Group.

(h) Long-Term Rate Bonds are subject to redemption prior to their respective stated maturities, by the Authority, upon the direction of the Corporation, on any Purchase Date therefor, and Long-Term Rate Bonds and Fixed Rate Bonds are subject to redemption by the Authority, upon the direction of the Corporation, on any date after expiration of the applicable call protection period described below, as a whole or in part in such amounts and from such maturities as are designated by the Corporation (or, if the Corporation fails to designate such maturities, in inverse order of maturity) and in any manner which the Bond Trustee shall deem appropriate and fair within a maturity, at a Redemption Price equal to the principal amount of Bonds called for redemption, plus accrued interest, if any, to the date fixed for redemption.

Length of Long-Term Rate Period or Years Remaining to Maturity as of Fixed Rate Conversion Date	Initial Redemption Dates (Anniversary of Fixed Rate Conversion Date or Long-Term Rate Conversion Date)
Equal to or less than 10 years	Not subject to optional redemption
Greater than 10 years	10th anniversary

The foregoing notwithstanding, if the Corporation delivers to the Bond Trustee, the Remarketing Agent and the Authority prior to any Conversion Date or Purchase Date (for Bonds remaining Long-Term Rate Bonds for an additional Long-Term Interest Rate Period) (1) a notice containing alternative call protection periods and/or Redemption Prices for Long-Term Rate Bonds or Fixed Rate Bonds and (2) an Opinion of Bond Counsel addressed to the Bond Trustee, the Authority, and the Remarketing Agent to the effect that the modifications to the call protection periods and/or Redemption Prices will not, in and of themselves, adversely affect any exemption from federal income taxation to which interest on such Bonds is otherwise entitled, then the Bonds shall be subject to redemption by the Authority, upon the direction of the Corporation, pursuant to the call protection periods and at the Redemption Prices, if any, set forth in that notice, and this Section 4.01(h) shall be deemed to be modified as set forth in such notice.

(i) The Bonds are subject to redemption prior to their respective stated maturities by the Authority, upon the direction of the Corporation, on any date, as a whole or in part in such amounts and from such maturities as are designated by the Corporation (or, if the Corporation fails to designate such maturities, in inverse order of maturity) and in any manner which the Bond Trustee shall deem appropriate and fair within a maturity, at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the members of the CHI Credit Group.

(j) Unless modified as permitted by Section 2.04, the Bonds are subject to redemption prior to their maturity date in part from Mandatory Sinking Account Payments, on the applicable Principal Payment Date (provided that if any Bonds are Auction Bonds in an

Auction Period that is not a Flexible Auction Period (as defined in *Exhibit B*) and the applicable Principal Payment Date is not an Interest Payment Date, such redemption shall occur on the Interest Payment Date immediately preceding the Principal Payment Date), at a Redemption Price equal to the principal amount thereof plus interest accrued thereon to the date fixed for redemption, as follows:

Mandatory Sinking Account Payment Dates (March 1)	Mandatory Sinking Account Payments
2016	\$1,900,000
2017	2,000,000
2018	2,100,000
2019	2,200,000
2020	2,300,000
2021	2,500,000
2022	2,600,000
2023	2,800,000
2024	2,900,000
2025	3,100,000
2026	3,300,000
2027	3,400,000
2028	3,600,000
2029	3,800,000
2030	4,100,000
2031	4,300,000
2032*	4,500,000

*Maturity Date

(k) Bank Bonds are subject to optional redemption under and in accordance with Sections 4.01(a), 4.01(b), 4.01(c), 4.01(d), 4.01(e), 4.01(g) and 4.01(h) and to Mandatory Sinking Account Payments redemption under and in accordance with Section 4.01(j); and in such connection, and notwithstanding anything to the contrary in this Bond Indenture, Bank Bonds shall be selected for redemption pursuant to such Sections of this Bond Indenture prior to the selection of other Bonds for redemption pursuant to such Sections of this Bond Indenture.

(l) Bank Bonds are subject to special mandatory redemption (by the Authority exercised upon the direction of the Corporation), in whole or in part, on any date, at a Redemption Price equal to the principal amount of the Bank Bonds to be redeemed, plus accrued and unpaid interest thereon (at the Bank Rate with respect to the Bank Bonds being redeemed) to the date of redemption on the dates and in the amounts required pursuant to the Liquidity Facility or the related Liquidity Facility Agreement.

(m) Redemption of Bank Bonds pursuant to Sections 4.01(k) and 4.01(l) above shall be credited against the redemption of Bonds from Mandatory Sinking Account Payments

pursuant to Section 4.01(j), first against the next succeeding Mandatory Sinking Account Payment and then against such future Mandatory Sinking Account Payments as the Corporation may specify in a certificate of an Authorized Representative of the Corporation.

(n) Unremarketed Bonds are subject to special mandatory redemption by the Authority, upon the direction of the Corporation, on the dates and in the amounts required pursuant to the Index Rate Agreement.

(o) The Redemption Price of Bonds secured by a Credit Facility upon optional redemption, mandatory sinking fund redemption, extraordinary optional redemption or purchase in lieu of redemption (other than Bank Bonds) shall be paid, first, from moneys drawn under the Credit Facility, and second, from other Available Moneys.

SECTION 4.02. Selection of Bonds for Redemption. Whenever provision is made in this Bond Indenture for the redemption of less than all of the Bonds of any maturity, the Bond Trustee, as directed by the Corporation, shall select the Bonds to be redeemed from all Bonds of such maturity in such manner as may be designated by the Corporation or, if the Corporation shall have failed to so designate, in any manner which the Bond Trustee in its sole discretion shall deem appropriate and fair; provided, that, with respect to Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds or Long-Term Rate Bonds selected for redemption, the Bonds shall be redeemed in the following order of priority (and in any manner which the Bond Trustee shall deem appropriate and fair within each priority other than the last priority):

First: any Bank Bonds; and

Second: any Bonds which have been tendered to the Tender Agent for purchase on or prior to the date fixed for redemption; and

Third: any other Bonds.

In the case of RTV Rate Bonds, RTV Rate Bonds bearing interest at an RTV Extension Rate shall be selected for redemption before RTV Rate Bonds bearing interest at an RTV Monthly Rate or RTV Weekly Rate immediately following the applicable redemption date.

The Bond Trustee shall promptly notify the Authority and the Corporation in writing of the Bonds or portions thereof so selected for redemption.

SECTION 4.03. Notice of Redemption. Each notice of redemption shall state (a) the maturities of the Bonds or portions thereof which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Bond Trustee, (d) the Redemption Price, (e) the CUSIP numbers assigned to the Bonds to be redeemed, (f) in case of any Bonds to be redeemed in part only, the amount of such Bonds to be redeemed, (g) the original dated date, interest rate (in the case of Fixed Rate Bonds) and stated maturity date of each Bond to be redeemed, and (h) if funds shall not be irrevocably deposited with the Bond Trustee to pay the Redemption Price of the Bonds to be redeemed plus interest accrued thereon (if any) to the date fixed for redemption on or prior to the date that the redemption notice is first given as aforesaid, such notice shall state that any redemption is

conditional on such funds being deposited with the Bond Trustee on the redemption date and that a failure to make such deposit shall not constitute an Event of Default hereunder. Each such notice shall also (1) state that if, on the date fixed for redemption, the Bond Trustee holds sufficient moneys therefor, then, on the date of redemption, the Redemption Price of the Bonds to be redeemed, plus interest accrued thereon (if any) to the date fixed for redemption, shall become due and payable and that from and after said date, interest on such Bonds shall cease to accrue and be payable, and (2) require that on said date such Bonds shall be surrendered. During an Index Rate Period and notwithstanding anything to the contrary herein, Bonds shall not be required to be presented or surrendered in connection with any Mandatory Sinking Account Payments until the maturity date of the Bonds or earlier payment in full of the Bonds.

The Bond Trustee shall take the following actions with respect to such notice of redemption:

(A) In the case of Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds other than RTV Rate Bonds bearing interest at an RTV Extension Rate and Auction Bonds (other than Auction Bonds in a Flexible Auction Period with a duration of more than 60 days), not less than 20 days prior to the redemption date, in the case of RTV Rate Bonds bearing interest at an RTV Extension Rate, not later than the applicable redemption date, and, in the case of Long-Term Rate Bonds, FRN Rate Bonds, Index Rate Bonds and Auction Bonds in a Flexible Auction Period with a duration of more than 60 days or after the Fixed Rate Conversion Date, at least 30 but not more than 60 days prior to the redemption date, such notice shall be given to the respective Holders of Bonds designated for redemption by Electronic Notice, confirmed by first class mail, postage prepaid, at their addresses appearing on the registration books maintained by the Bond Trustee pursuant to Section 2.09 as of the close of business on the day before such notice is given; provided, that failure of the Bond Trustee to give such notice to a Holder of Bonds or any defect in such notice shall not affect the validity of the redemption of any other Bonds; and provided further, however, that if the Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Long-Term Rate Bonds are Bank Bonds, notice of redemption of such Bank Bonds shall be given not less than one (1) Business Day prior to the redemption date therefor, and such notice may be given telephonically or by Electronic Notice. Notwithstanding anything to the contrary contained herein, in the event all of the Bonds to be redeemed are held in book-entry form by the Nominee, the notice shall be made by Electronic Notice and the notice period required pursuant to this Section 4.03(A) may be less than 20 or 30 days prior to the redemption date, as applicable, provided such notice period complies with the operational guidelines of the then current Securities Depository in effect 60 days prior to the date of the scheduled redemption.

(B) While the Bonds are Auction Bonds, in addition to any requirement set forth herein in the event of a redemption or defeasance, notice of such redemption or defeasance shall comply with the following requirements. The Bond Trustee shall notify the Auction Agent by Electronic Notice of any notice of redemption or defeasance on the date received and prior to sending the notice to the Securities Depository as Holder of the Bonds. In the case of a partial redemption or defeasance, the Bond Trustee shall verify

with the Auction Agent by Electronic Notice the lottery publication date to be used by the Securities Depository in the notice. The Bond Trustee shall then send the notice of redemption or defeasance to the Securities Depository.

If the Bond Trustee and the Auction Agent are unable to verify a lottery publication date prior to sending a notice of partial redemption or defeasance to the Securities Depository, then such notice shall include, under an item entitled "Publication Date for Securities Depository Purposes," the Securities Depository lottery publication date applicable to such Bonds, which date shall be two Business Days after the second Auction Date that immediately precedes the date specified in such notice as the date fixed for the redemption or defeasance of such Bonds (the "Redemption/Defeasance Date") (three Business Days immediately preceding such Redemption/Defeasance Date in the case of Bonds in the daily Auction Period).

On the lottery publication date prior to the Redemption/Defeasance Date with respect to such Bonds, the Bond Trustee shall request the lottery results from the Securities Depository. Upon receipt, the Bond Trustee shall notify the Auction Agent by Electronic Notice of such lottery results, i.e. the identities of the Participants and the respective principal amounts from the accounts of Bonds which have been called for redemption or defeasance. At least two (2) Business Days prior to the Redemption/Defeasance Date with respect to Bond being partially redeemed or defeased, the Auction Agent shall request each eligible Broker-Dealer to disclose to the Auction Agent (upon selection by such Participant of the Existing Owners whose Bonds are to be redeemed or defeased) the aggregate principal amount of such Bonds of each such Existing Owner, if any, to be redeemed or defeased. By the close of business on the day the Auction Agent receives any notice pursuant to this paragraph, the Auction Agent shall forward the contents of such notice to the related Broker-Dealer by Electronic Notice.

(C) A second notice of redemption shall be delivered no more than 60 days after the redemption date, by the same means as the first notice, to a Holder of Bonds who has not turned Bonds in for redemption within 30 days after the redemption date; provided, that failure of the Bond Trustee to give such notice to any Holder of Bonds or any defect in such notice shall not affect the validity of the redemption of such Bonds.

(D) The Bond Trustee, if requested by the Corporation, shall also give notice of redemption by Electronic Notice to any securities depositories and/or securities information services as shall be designated in a Certificate of the Corporation.

Any notice of redemption (other than a notice of redemption from Mandatory Sinking Account Payments pursuant to Section 4.01(j)) given pursuant to this Section 4.03 may be rescinded by written notice given to the Bond Trustee by the Corporation no later than five Business Days prior to the date fixed for redemption. The Bond Trustee shall give notice of such rescission as soon thereafter as practicable in the same manner, and to the same persons, as notice of such redemption was given pursuant to this Section 4.03.

Notice of redemption of Bonds shall be given by the Bond Trustee, at the expense of the Corporation, for and on behalf of the Authority.

SECTION 4.04. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Authority shall execute and the Bond Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Corporation, a new Bond or Bonds, of Authorized Denominations and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

SECTION 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued thereon, if any, to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Bond Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice together with interest accrued thereon, if any, to the redemption date, interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Bond Indenture, and the Holders of said Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest, if any.

All Bonds redeemed pursuant to the provisions of this Article, if any, shall be canceled upon surrender thereof in accordance with the Bond Trustee's customary procedures.

The Bond Trustee shall notify any Liquidity Provider and any Credit Provider of the aggregate principal amount of the Bonds (other than Bank Bonds) that are redeemed pursuant to this Article IV on a given redemption date occurring prior to the Expiration Date of its Liquidity Facility or Credit Facility, as applicable, promptly after such redemption date and shall submit to such Liquidity Provider or Credit Provider such documents, if any, as are required in accordance with the terms of its Liquidity Facility or Credit Facility, as applicable, to cause the amounts available under such Liquidity Facility or Credit Facility, as applicable, to be reduced in respect of such Bonds so redeemed.

SECTION 4.06. Purchase In Lieu of Redemption. The Authority hereby irrevocably grants to the Corporation the option to purchase, at any time and from time to time, any Bond which is to be redeemed pursuant to Sections 4.01(a), 4.01(b), 4.01(c), 4.01(d), 4.01(e), 4.01(f), 4.01(g) and 4.01(h) on the dates of such redemption and at a purchase price equal to the Redemption Price therefor. In order for the Corporation to exercise such option, the Corporation must notify the Bond Trustee not less than five Business Days (or such shorter period as may be acceptable to the Bond Trustee) prior to the proposed redemption date that amounts available to pay the Redemption Price of such Bonds are to be applied to purchase such Bonds in lieu of redemption. No notice other than the notice of redemption described in Section 4.03 need be given in connection with any such purchase in lieu of redemption. On or prior to the day fixed for redemption, the Corporation shall deliver to the Bond Trustee and the Authority an Opinion of Bond Counsel to the effect that the purchase in lieu of redemption pursuant to this Section 4.06 is in accordance with the provisions of this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled. On the day fixed for redemption, the Bond Trustee will purchase the Bonds to be redeemed in lieu of such redemption and, following such purchase, the Bond Trustee will cause such Bonds to be registered in the name of or upon direction of the Corporation and deliver them to or as directed by the Corporation. No purchase of Bonds

pursuant to this Section will operate to extinguish the indebtedness of the Authority evidenced thereby. Bonds purchased in lieu of redemption will continue to bear interest at the Interest Rate Mode in effect on the date of such purchase in lieu of redemption.

SECTION 4.07. The Tender Agent. Wells Fargo Bank, National Association, is hereby appointed by the Authority as Tender Agent for the Bonds. The Tender Agent shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Authority, the Bond Trustee, the Corporation and the Liquidity Provider under which the Tender Agent will agree, particularly:

(a) To hold all Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds, Index Rate Bonds and Long-Term Rate Bonds delivered to it for purchase hereunder as agent and bailee of, and in escrow for the benefit of, the respective Holders which shall have so delivered such Bonds until moneys representing the Purchase Price of such Bonds shall have been delivered to or for the account of or to the order of such Holders;

(b) To hold all moneys, other than proceeds of drawings under such Liquidity Facility, delivered to it hereunder for the purchase of Bonds as agent and bailee of, and in escrow for the exclusive benefit of, the person or entity which shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity;

(c) To hold all moneys delivered to it hereunder from drawings under such Liquidity Facility for the purchase of Variable Rate Bonds, Short-Term Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds, Index Rate Bonds and Long-Term Rate Bonds as agent and bailee of, and in escrow for the exclusive benefit of, the Holders who shall deliver Bonds to it for purchase until the Bonds purchased with such moneys shall have been delivered to or for the account of such Liquidity Provider;

(d) To keep such books and records as shall be consistent with prudent industry practice and, upon reasonable advance notice, to make such books and records available for inspection by the Authority, the Bond Trustee, the Remarketing Agent, any Liquidity Provider, any Credit Provider, the Index Agent and the Corporation; and

(e) To perform the foregoing duties and obligations subject to and in accordance with the provisions of this Bond Indenture relating thereto and to perform such other duties and responsibilities (including, without limitation, with respect to the Purchase Fund and Bank Bonds) as are provided in this Bond Indenture to be performed by the Tender Agent.

The Tender Agent in performing its duties as set forth herein shall have the rights and immunities including, but not limited to, exculpations and indemnifications, of the Bond Trustee as set forth in this Bond Indenture to the same extent and as fully for all intents and purposes as though such rights and immunities had been set forth at length with respect to the Tender Agent.

SECTION 4.08. Qualifications of Tender Agent.

(a) The Tender Agent shall be duly organized under the laws of the United States of America or any state or territory thereof and be (1) a commercial bank and trust company or (2) a national banking association, have a combined capital stock, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) and be authorized by law to perform all duties imposed upon it by this Bond Indenture. At all times at which the Bonds are not in a book-entry system, the Tender Agent shall have an office or agency in New York, New York. The Tender Agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture by giving at least 60 days' notice to the Authority, the Bond Trustee, each Liquidity Provider, each Credit Provider, the Remarketing Agent, any Index Agent, any Index Rate Holder and the Corporation, provided that such resignation shall not take effect until the appointment and acceptance of a successor Tender Agent. The Tender Agent may be removed at any time by the Corporation upon written notice to the Tender Agent, the Authority, the Bond Trustee, the Index Agent, each Liquidity Provider and the Remarketing Agent, provided that such removal shall not take effect until the appointment of, and the acceptance of appointment by, a successor Tender Agent. Successor Tender Agents may be appointed from time to time by the Authority, upon the direction of the Corporation and with the written approval of each Liquidity Provider, such approval not to be unreasonably withheld.

(b) If no successor Tender Agent shall have been appointed and have accepted appointment within 30 days of the giving notice of resignation or notice of removal as aforesaid, the Corporation may appoint, with the prior written approval of each Liquidity Provider (such approval not to be unreasonably withheld), a successor Tender Agent to act until a successor Tender Agent is appointed pursuant to the foregoing provisions of this Section.

(c) If no appointment of a successor Tender Agent shall have been made pursuant to the foregoing provisions of this Section, the Tender Agent resigning or being removed or any Holder (on behalf of himself and all other Holders) may petition any court of competent jurisdiction for the appointment of a successor Tender Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Tender Agent.

(d) Any successor Tender Agent appointed under this Bond Indenture shall signify its acceptance of such appointment by executing and delivering to the Authority, the Bond Trustee, each Liquidity Provider, each Credit Provider, the Remarketing Agent, any Index Agent, any Index Rate Holder and to its predecessor Tender Agent a written acceptance thereof, and thereupon (1) such successor Tender Agent, without further act, deed or conveyance, shall become vested with all the monies, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Tender Agent, with like effect as if originally named Tender Agent herein, and (2) the Tender Agent shall pay over, transfer, assign and deliver to the successor Tender Agent all the right, title and interest of the Tender Agent in and to all money and all other property (including, without limitation, Bank Bonds) held by the Tender Agent subject to and in accordance with this Bond Indenture; but nevertheless at the request of the Authority, the successor Tender Agent, the Index Agent, any Remarketing Agent or any Liquidity Provider, such predecessor Tender Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Tender Agent

all the right, title and interest of such predecessor Tender Agent in and to all money and all other property (including, without limitation, Bank Bonds) held by it under this Bond Indenture. Upon request of the successor Tender Agent, the Authority shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Tender Agent all money, estates, properties, rights, powers, trusts, duties and obligations of the predecessor Tender Agent. Upon acceptance by a successor Tender Agent as provided in this subsection, the Authority shall give notice of the succession of such Tender Agent hereunder to the Corporation and by Electronic Notice, confirmed by first-class mail, to the Holders at the addresses shown on the registration books maintained by the Bond Trustee. If the Authority fails to deliver such notice within 15 days after the acceptance of appointment by the successor Tender Agent, the Bond Trustee shall cause such notice to be delivered to such Holders within 30 days of such acceptance at the expense of the Corporation.

(e) Any Person into which the Tender Agent 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 Person to which the Tender Agent may sell or transfer all or substantially all of its trust or trust-related business, provided such Person shall be eligible under Section 4.08(a), shall be the successor to such Tender Agent, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. Upon any such merger, consolidation or sale, the successor Tender Agent shall notify the Authority, the Corporation, the Remarketing Agent, the Bond Trustee, the Index Agent and each Liquidity Provider and, thereafter, shall deliver to the registered owners of all Outstanding Bonds at the addresses appearing on the registration books maintained by the Bond Trustee notice of the succession of such Tender Agent to the duties of the Tender Agent hereunder.

SECTION 4.09. Optional Tenders During Variable Rate Periods, Window Variable-Rate Periods and RTV Rate Periods.

(a) Holders of Eligible Bonds may elect to have their Variable Rate Bonds, Window Variable-Rate Bonds or RTV Rate Bonds, or portions thereof in amounts equal to Authorized Denominations, purchased at the Purchase Price on the following Purchase Dates and upon the giving of the following Electronic Notice or written notice meeting the further requirements set forth in Section 4.09(b):

(1) Eligible Bonds with interest payable at a Daily Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice or written notice of tender to the Tender Agent and the Remarketing Agent not later than 11:00 a.m., New York City time, on the designated Purchase Date.

(2) Eligible Bonds with interest payable at a Two-Day Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice or written notice of tender to the Tender Agent and the Remarketing Agent not later than 1:00 p.m., New York City time, on a Business Day not fewer than two days prior to the designated Purchase Date.

(3) Eligible Bonds with interest payable at a Weekly Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice or written notice of tender to the Tender Agent and the Remarketing Agent not later than 5:00 p.m., New York City time, on a Business Day not fewer than seven days prior to the designated Purchase Date.

(4) Eligible Bonds with interest payable at a Window Variable-Rate may be tendered for purchase at the Purchase Price upon Electronic Notice or written notice of tender to the Tender Agent and the Remarketing Agent on any Business Day for tender on a Window Variable-Rate Optional Purchase Date designated by the Remarketing Agent pursuant to Section 4.10(b)(4), if any.

(5) Eligible Bonds with interest payable at an RTV Weekly Rate may be tendered for purchase at the Purchase Price in accordance with the applicable provisions set forth in *Exhibit C*.

(b) Each notice of tender:

(1) Shall, in case of a written notice, be delivered to the Tender Agent and the Remarketing Agent at their respective principal corporate offices and be in form satisfactory to the Tender Agent and the Remarketing Agent;

(2) Shall state, whether delivered in writing or by Electronic Notice, (A) the principal amount of the Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond to which the notice relates and the CUSIP number of such Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond, (B) that the Holder irrevocably demands purchase of such Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond or a specified portion thereof in an Authorized Denomination, (C) for Variable Rate Bonds, the Purchase Date on which such Variable Rate Bond or portion thereof is to be purchased and (D) payment instructions with respect to the Purchase Price; and

(3) Shall automatically constitute, whether delivered in writing or by Electronic Notice, (A) an irrevocable offer to sell the Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond (or portion thereof) to which such notice relates on the Purchase Date (which, in the case of Window Variable-Rate Bonds, shall be the Purchase Date, if any designated by the Remarketing Agent pursuant to Section 4.10(b)(4) (a "Window Variable-Rate Optional Purchase Date") and, in the case of RTV Weekly Rate Bonds shall be the Purchase Date, if any, designated by the Remarketing Agent pursuant to *Exhibit C*), to any purchaser selected by the Remarketing Agent at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond (or portion thereof) upon receipt by the Tender Agent of funds sufficient to pay the Purchase Price on the Purchase Date (subject to Section 4.10(b)(4) with respect to Window Variable-Rate Bonds and subject to *Exhibit C* with respect to RTV Weekly Rate Bonds), (C) an irrevocable authorization and instruction to the Tender Agent to effect the exchange of the Variable Rate Bond, Window Variable-

Rate Bond or RTV Weekly Rate Bond be purchased in whole or in part for other Variable Rate Bonds, Window Variable-Rate Bonds or RTV Weekly Rate Bonds in an equal aggregate principal amount so as to facilitate the sale of such Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond (or portion thereof to be purchased), and (D) an acknowledgment that such Holder will have no further rights with respect to such Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond (or portion thereof) upon deposit of an amount equal to the Purchase Price thereof with the Tender Agent on the Purchase Date, except for the right of such Holder to receive such Purchase Price upon surrender of such Variable Rate Bond, Window Variable-Rate Bond or RTV Weekly Rate Bond to the Tender Agent.

The determination of the Tender Agent and the Remarketing Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Holder. The Tender Agent or the Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.

(c) The right of Holders to tender Variable Rate Bonds, Window Variable-Rate Bonds or RTV Weekly Rate Bonds for purchase pursuant to this Section shall terminate upon a Conversion Date with respect to such Variable Rate Bonds, Window Variable-Rate Bonds, or RTV Weekly Rate Bonds, respectively, to an Interest Rate Mode that is not a Variable Rate Period, Window Variable-Rate Period or RTV Rate Period, respectively.

(d) Notwithstanding anything to the contrary herein, all Variable Rate Bonds as to which Electronic Notice or written notice specifying the Purchase Date has been delivered pursuant to this Section 4.09 (and which have not been tendered to the Tender Agent) shall be deemed tendered on the Purchase Date specified. From and after the specified Purchase Date of a Bond or Bonds tendered to the Tender Agent or deemed tendered pursuant to this Section 4.09, the former Holder of such Bond or Bonds shall be entitled solely to the payment of the Purchase Price of such Bond or Bonds tendered or deemed tendered which Purchase Price shall be payable only as set forth in Section 4.10(d).

(e) The Tender Agent shall promptly return any notice of tender delivered pursuant to Section 4.09(b) (together with the Bonds submitted therewith) that is incomplete or improperly completed or not delivered within the times required by Section 4.09(b) to the Person or Persons submitting such notice and Bonds upon surrender of the receipt, if any, issued therefor.

SECTION 4.10. Purchase of Bonds by Tender Agent.

(a) The Tender Agent shall establish a special trust fund to be designated the Purchase Fund and, within such Purchase Fund, the Tender Agent shall establish four separate accounts to be designated the Remarketing Account, the Liquidity Account, the Corporation Purchase Account and the Undelivered Bond Payment Account. Only the Tender Agent shall have any right of withdrawal from the Purchase Fund; and such Purchase Fund and such right of withdrawal shall be for the sole and exclusive benefit of the Holders of the Bonds subject to purchase on Purchase Dates (and any Liquidity Provider, to the extent provided in Section 4.10(e)); and neither the Authority nor the Corporation shall have any legal, beneficial or equitable interest in such Purchase Fund. Amounts on deposit in the Purchase Fund shall be held

uninvested and without bearing interest. Amounts in a particular account of the Purchase Fund shall not be commingled with amounts in any other account of such Purchase Fund. Neither the Corporation nor the Authority shall have any right, title or interest in any of the funds held on deposit in the Remarketing Account nor any remarketing proceeds held for any period of time by the Remarketing Agent. Any moneys received by the Tender Agent by reason of the remarketing by the Remarketing Agent on a Purchase Date shall be deposited by the Tender Agent in the Remarketing Account of the Purchase Fund and applied by the Tender Agent in accordance with Sections 4.10(d) and 4.10(e). Any moneys received by the Tender Agent representing amounts paid by the Liquidity Provider under its Liquidity Facility, for the purchase or for the provision of funds for the purchase of Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Liquidity Account of the Purchase Fund and applied by the Tender Agent in accordance with Sections 4.10(d) and 4.10(e). Any moneys received by the Tender Agent representing amounts paid by the Corporation for the purchase of Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Corporation Purchase Account of the Purchase Fund and applied by the Tender Agent in accordance with Sections 4.10(d) and 4.10(e). Moneys shall be transferred to the Undelivered Bond Payment Account within the Purchase Fund from the other accounts of such Purchase Fund or to the Liquidity Provider in accordance with Section 4.10(e); and moneys shall be applied from the Undelivered Bond Payment Account within the Purchase Fund in accordance with Section 4.10(f).

(b) Upon:

(1) Receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Daily Rate, the Tender Agent shall notify the Corporation, the Remarketing Agent and any Liquidity Provider by telephonic notice of the amount of such Bonds to be tendered pursuant to such notice and the Tender Agent shall confirm such telephonic notice by Electronic Notice by 11:15 a.m., New York City time, on the Purchase Date, including in such telephonic notice and the confirmation thereof the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date;

(2) Receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Two-Day Rate, the Tender Agent shall, not later than 1:00 p.m., New York City time, on the next Business Day, send notice of such tender to the Corporation, the Remarketing Agent and any Liquidity Provider by Electronic Notice, including in such notice the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date;

(3) Receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Weekly Rate, the Tender Agent shall, not later than 5:00 p.m., New York City time, on the next Business Day, send notice of such tender to the Corporation, the Remarketing Agent and any Liquidity Provider by Electronic Notice, including in such notice the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date;

(4) Receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Window Variable-Rate in accordance with Section 4.09, but not later than Noon, New York City time, on the day following receipt of such notice, the Tender Agent shall notify the Corporation, the Bond Trustee (if the Bond Trustee is not also the Tender Agent), the Remarketing Agent and any Liquidity Provider by Electronic Notice, including in such notice the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Window Variable-Rate Optional Purchase Date. The Tender Agent shall give notice of such optional tender, including the principal amount of Bonds to be purchased (but not the name of the tendering Holder), by first-class mail to the Holders of all Outstanding Bonds not less than the second Business Day after receipt of a notice of optional tender by the Tender Agent pursuant to this paragraph. If the Remarketing Agent identifies a purchaser for a Window Variable-Rate Bond for which a notice of tender has been given during the period beginning on the Business Day such notice of tender is received by the Remarketing Agent and ending on the 30th day (or, if the 30th day is not a Business Day, the next succeeding Business Day) after such notice of tender is received by the Remarketing Agent (a "Remarketing Window"), the Remarketing Agent shall give Electronic Notice to the tendering Holder, the Tender Agent, the Bond Trustee and the Authority that a purchaser has been identified. Such notice shall designate the Window Variable-Rate Optional Purchase Date for such Bond, which shall be the earlier of (i) the last day of the Remarketing Window or (ii) any Business Day that is at least seven days after such notice is received by the tendering Holder. The Tender Agent shall purchase such Bond pursuant to Section 4.10(d) on the Window Variable-Rate Optional Purchase Date at the Purchase Price, but only with remarketing proceeds or with any other amounts made available by the Corporation, in its sole discretion. If sufficient remarketing proceeds are not available for the purchase of such Bond on the Window Variable-Rate Optional Purchase Date, and amounts are not made available by the Corporation, in its sole discretion, for the purchase of such Bond on the Window Variable-Rate Optional Purchase Date, then the Remarketing Agent's designation of a Window Variable-Rate Optional Purchase Date for such Bond shall be deemed to be rescinded, such Bond shall not be tendered or deemed tendered or required to be purchased on such date and no Event of Default shall occur pursuant to Section 7.01. The Remarketing Agent shall give Electronic Notice of such rescission to the tendering Holder, the Tender Agent, the Bond Trustee, the Authority and the Corporation as soon as practicable and in any event not later than the next succeeding Business Day.

Simultaneously with the giving (pursuant to Section 4.11(e)) of notice of any mandatory tender of Bonds pursuant to Section 4.11(a), the Bond Trustee shall give notice by telephone or Electronic Notice, promptly confirmed by a written notice, to the Tender Agent, the Remarketing Agent, any Liquidity Provider, the Index Agent, if any, and the Corporation specifying the applicable Purchase Date, the aggregate principal amount and Purchase Price of Bonds subject to mandatory tender on such Purchase Date, and the portion, if any, of such Purchase Price representing accrued and unpaid interest on such Bonds to such Purchase Date.

(c) Not later than Noon, New York City time, on each Purchase Date, the Tender Agent shall determine the amount, if any, by which the Purchase Price of the Bonds to be purchased on such Purchase Date exceeds the amount of the proceeds of the remarketing of such

Bonds by the Remarketing Agent on deposit in the Remarketing Account of the Purchase Fund at such time; and

(1) If a Liquidity Facility is in effect with respect to the Bonds on such Purchase Date, then (A) not later than 12:30 p.m., New York City time, on such Purchase Date, the Tender Agent shall request (such request being referred to as a "Liquidity Facility Request") the purchase by the Liquidity Provider under the Liquidity Facility, or the funding by the Liquidity Provider under the Liquidity Facility of moneys for the purchase, of Bonds having a Purchase Price equal to the amount of such excess (by submitting to such Liquidity Provider in accordance with such Liquidity Facility all such documents as are required for such purpose), and (B) not later than 2:00 p.m., New York City time, on such Purchase Date, the Tender Agent shall deposit the proceeds of such Liquidity Facility Request received by the Tender Agent in the Liquidity Account of the Purchase Fund; (or shall immediately notify the Corporation if the applicable Liquidity Provider has failed to honor its obligations under a Liquidity Facility); or

(2) If a Liquidity Facility is not in effect with respect to the Bonds to be purchased on such Purchase Date and the Corporation is obligated under the Loan Agreement to make Required Liquidity Payments or otherwise elects in its sole discretion to make Optional Liquidity Payments to provide funds for such payment, then (A) not later than 12:30 p.m., New York City time, on such Purchase Date, the Tender Agent shall notify the Corporation that the amount of such excess is the amount payable by the Corporation to the Tender Agent not later than 2:00 p.m., New York City time, on such Purchase Date for purposes of causing the Tender Agent to purchase, on behalf of the Corporation, Bonds having a Purchase Price equal to such excess (and, thereby, for the Tender Agent to have sufficient funds to pay the Purchase Price of all Bonds subject to purchase on such Purchase Date), and (B) not later than 2:00 p.m., New York City time, on such Purchase Date, the Tender Agent shall deposit the amount received by the Tender Agent from the Corporation for such purpose in the Corporation Purchase Account of the Purchase Fund.

(3) Notwithstanding anything to the contrary contained herein, if by 10:30 a.m., New York City time, on a Window Variable-Rate Optional Purchase Date, the Remarketing Agent despite its best efforts has been unable to remarket all Bonds to be purchased on such Window Variable-Rate Optional Purchase Date at par and the Corporation, in its sole discretion, has not provided amounts for the purchase of such Bonds on the Window Variable-Rate Optional Purchase Date: (A) the Remarketing Agent shall deliver Electronic Notice to the Bond Trustee, the Tender Agent, the Calculation Agent and the Authority by 10:45 a.m., New York City time, that such Window Variable-Rate Optional Purchase Date is deemed rescinded and shall include in such notice the principal amount of Bonds that will not be purchased on such Purchase Date; and (B) the Bond Trustee shall promptly provide written notice to each Rating Agency of the commencement of such rescission. If for any reason a Bond for which a notice of tender for purchase pursuant to Section 4.09 has been delivered is not purchased by the last day of the applicable Remarketing Window, then (i) all Bonds shall be subject to mandatory tender for purchase on the last day of the Mandatory Purchase Window (or, if the last day is not a Business Day, the next succeeding Business Day) after such notice

is received by the Remarketing Agent (a "*Window Variable-Rate Mandatory Purchase Date*") at the Purchase Price, payable in immediately available funds, and (ii) the Remarketing Agent shall give notice of such Window Variable-Rate Mandatory Purchase Date to the Bond Trustee by Electronic Notice no later than the second Business Day after the end of the applicable Remarketing Window. The Bond Trustee shall give Electronic Notice of the Window Variable-Rate Mandatory Purchase Date to the Holders of the Bonds, with a copy to the Corporation, the Authority, the Tender Agent and any Liquidity Provider, not later than the second Business Day after receiving notice of such Window Variable-Rate Mandatory Purchase Date from the Remarketing Agent. The failure to pay the Purchase Price of all tendered Bonds when due and payable on a Window Variable-Rate Mandatory Purchase Date shall constitute an Event of Default pursuant to Section 7.01. Notwithstanding the foregoing provisions of this paragraph, the Bonds shall not be subject to mandatory tender for purchase on a Window Variable-Rate Mandatory Purchase Date if they are otherwise subject to mandatory tender for purchase pursuant to Section 4.11 after the last day of the Remarketing Window and before such Window Variable-Rate Mandatory Purchase Date.

(d) Not later than 2:30 p.m., New York City time, on each Purchase Date, the Tender Agent shall disburse the Purchase Price of Bonds to be purchased on such Purchase Date to the Holders thereof (upon surrender thereof for payment of such Purchase Price), from the following sources and in the following order of priority:

(1) Moneys on deposit in the Remarketing Account of the Purchase Fund (representing the proceeds of the remarketing by the Remarketing Agent);

(2) If a Liquidity Facility is in effect with respect to the Bonds on such Purchase Date, moneys on deposit in the Liquidity Account of the Purchase Fund (representing the proceeds of a Liquidity Facility Request under such Liquidity Facility); and

(3) If a Liquidity Facility is not in effect with respect to the Bonds on such Purchase Date, moneys on deposit in the Corporation Purchase Account of the Purchase Fund (representing amounts paid by the Corporation to the Tender Agent for the purchase of such Bonds).

(e) Any moneys remaining in the Remarketing Account, the Liquidity Account or the Corporation Purchase Account of the Purchase Fund and representing (but not exceeding) the Purchase Price of Bonds subject to purchase on the applicable Purchase Date but not tendered and delivered for purchase on the applicable Purchase Date (following the payments from the Purchase Fund described in Section 4.10(d)), shall be transferred by the Tender Agent to the Undelivered Bond Payment Account of the Purchase Fund not later than 3:30 p.m., New York City time, on the applicable Purchase Date (and retained therein, subject to Section 4.10(a), for application in accordance with Section 4.10(f)). Any moneys remaining in the Remarketing Account, the Liquidity Account and the Corporation Purchase Account of the Purchase Fund on the applicable Purchase Date (after the payments from such Purchase Fund described in Section 4.10(d) and the transfer described in the preceding sentence of this Section 4.10(e)) shall be wire transferred by the Tender Agent, in immediately available funds, prior to the close of business on

such Purchase Date, to the Remarketing Agent, any Liquidity Provider and the Corporation, respectively.

(f) Moneys transferred to the Undelivered Bond Payment Account of the Purchase Fund on any Purchase Date shall be applied, on or after such Purchase Date, by the Tender Agent to pay the Purchase Price of Undelivered Bonds in respect of which they were so transferred, upon the surrender of such Bonds to the Tender Agent for such purpose.

(g) Subject only to the provisions of this Section 4.10 permitting the application thereof for the purposes and on the terms and conditions set forth herein, there are hereby pledged to secure the payment of the Purchase Price of Bonds tendered and/or deemed tendered for purchase in accordance with this Bond Indenture all of the Liquidity Payments and other amounts held in the Purchase Fund (and the accounts therein). Said pledge shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery by the Bond Trustee, without any physical delivery thereof or further act.

(h) The Authority hereby transfers in trust, grants a security interest in and assigns to the Tender Agent, for the benefit of the Holders of the Bonds, as security for the payment of the Purchase Price of Bonds tendered and/or deemed tendered for purchase in accordance with this Bond Indenture, all of the Liquidity Payments and other amounts held in the Purchase Fund (and the accounts therein) and all of the right, title and interest (if any) of the Authority to receive the same (in the case of the Liquidity Payments) under the Loan Agreement. The Tender Agent shall be entitled to and shall receive all of the Liquidity Payments with respect to the Bonds, and any Liquidity Payments collected or received by the Authority shall be deemed to be held, and to have been collected and received by the Authority as the agent of the Tender Agent, and shall forthwith be paid by the Authority to the Tender Agent. The Tender Agent (subject to Section 8.03(d)) shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce the right of the Authority to receive, and the obligation of the Corporation to pay, Required Liquidity Payments pursuant to the Loan Agreement.

SECTION 4.11. Mandatory Purchase of Bonds.

(a) The Bonds shall be subject to mandatory tender for purchase by the Tender Agent at the Purchase Price on the following Purchase Dates:

(1) Each Conversion Date for the Bonds (unless such Conversion Date is already a Purchase Date, in which case no separate mandatory tender by operation of this Section 4.11(a) shall occur);

(2) Each Short-Term Rate Mandatory Purchase Date;

(3) Each Long-Term Rate Mandatory Purchase Date;

(4) The fifth day next preceding the Expiration Date (unless, on or prior to the fifth day next preceding such Expiration Date, such Expiration Date is extended);

(5) Each Liquidity Facility Date and Credit Facility Date;

- (6) Each Termination Date;
- (7) Each FRN Rate Mandatory Purchase Date;
- (8) Each Window Variable-Rate Mandatory Purchase Date;
- (9) Each Corporation Elective Purchase Date;
- (10) Each RTV Mandatory Purchase Date pursuant to the provisions of *Exhibit C*;

(11) Each Index Rate Purchase Date relating to an Index Rate Period except with respect to a Direct Purchase Period Conversion to the extent provided in Section 2.03(i)(2)(B) hereof; and

(12) If such Bonds constitute Index Rate Bonds or Unremarketed Bonds, on the third Business Day after the Bond Trustee receives written notice from the Index Rate Holder stating that an “Event of Default” (as defined in the Index Rate Agreement) has occurred and is continuing under the Index Rate Agreement and directing the Bond Trustee to call such Bonds for mandatory tender for purchase.

(b) Bonds to be purchased pursuant to Section 4.11(a) shall be delivered by the Holders thereof to the Tender Agent (together with necessary assignments and endorsements) at or prior to 1:00 p.m., New York City time, on the applicable Purchase Date.

(c) Any Bonds to be purchased by the Tender Agent pursuant to this Section 4.11 that are not delivered for purchase on or prior to the Purchase Date, for which there has been irrevocably deposited in trust with the Bond Trustee or the Tender Agent an amount sufficient to pay the Purchase Price of such Bonds, shall be deemed to have been tendered to the Tender Agent for purchase, and the Holders of such Bonds shall not be entitled to any payment (including any interest to accrue on or after the Purchase Date) other than the respective Purchase Prices of such Bonds, and such Bonds shall not be entitled to any benefits of this Bond Indenture, except for payment of such Purchase Price out of the moneys deposited for such payment as aforesaid, subject, however, to the provisions of Section 10.04.

(d) In addition to any other requirements set forth in this Bond Indenture (except as otherwise provided in *Exhibit C*), notices of mandatory tender of Bonds delivered to Holders shall:

- (1) Specify the proposed Purchase Date and the event which gives rise to the proposed Purchase Date;
- (2) State that the Bonds shall be subject to mandatory tender for purchase on such date;
- (3) State that Holders may not elect to retain Bonds subject to mandatory tender;

(4) State that all Bonds subject to mandatory tender shall be required to be delivered to the principal corporate trust office of the Tender Agent at or before 1:00 p.m., New York City time, on the Purchase Date;

(5) State that if the Holder of any Bond subject to mandatory tender fails to deliver such Bond to the Tender Agent for purchase on the Purchase Date, and if the Tender Agent is in receipt of funds sufficient to pay the Purchase Price thereof, such Bond (or portion thereof) shall nevertheless be deemed purchased on the Purchase Date and ownership of such Bond (or portion thereof) shall be transferred to the purchaser thereof;

(6) State that any Holder that fails to deliver any Bond for purchase shall have no further rights thereunder or under this Bond Indenture except the right to receive the Purchase Price thereof upon presentation and surrender of said Bond to the Tender Agent and that the Bond Trustee will place a stop transfer against the Bonds subject to mandatory tender registered in the name of such Holder(s) on the registration books;

(7) State that *provided* that moneys sufficient to effect such purchase shall have been provided through (A) the remarketing of the Bonds by the Remarketing Agent, (B) the Liquidity Facility (if any) or (C) funds provided by the Corporation (if applicable), all such Bonds shall be purchased;

(8) In the case of mandatory tender upon any proposed conversion of the Bonds, state that such conversion and such mandatory tender will not occur by reason of the occurrence of certain events specified in Section 2.03(j), Section 2.03(k), Section 2.04 or Section 2.05, as applicable (and summarize such events);

(9) In the case of mandatory tender on the fifth day next preceding the Expiration Date, state that such mandatory tender will not occur, if, on or prior to such fifth day, such Expiration Date is extended;

(10) In the case of mandatory tender on a Liquidity Facility Date or Credit Facility Date, state the information required by Section 4.17(d) hereof; and

(11) In the case of a mandatory tender on an RTV Mandatory Purchase Date, contain the information required pursuant to *Exhibit C*.

(e) Notice of mandatory tender of the Bonds by reason of a proposed Conversion Date shall be given in accordance with Section 2.03(i), Section 2.03(j), Section 2.03(k), Section 2.04 or Section 2.05, as applicable; and notice of mandatory tender of the Bonds by reason of a proposed Liquidity Facility Date or Credit Facility Date shall be given in accordance with Section 4.17. Notice of mandatory tender of the Bonds by reason of other events described in Section 4.11(a) shall be given by the Bond Trustee (1) to the Holders of the Bonds subject to mandatory tender (at their addresses as they appear on the registration books of the Bond Trustee as of the date of such notice) by Electronic Notice, confirmed by first-class mail, and (2) to the Corporation, the Authority, the Remarketing Agent, the Tender Agent, any Calculation Agent, any Liquidity Provider and any Credit Provider by Electronic Notice not fewer than 10 days prior to the applicable Purchase Date (except in the case of a mandatory tender pursuant to

Section 4.11(a)(10), which notice period shall be in accordance with *Exhibit C* and a Window Variable-Rate Mandatory Purchase Date, which notice shall be given in accordance with Section 4.10(c)(3)).

(f) If, following the giving of notice of mandatory tender of Bonds pursuant to Section 4.11(a), an event occurs which, in accordance with the terms of this Bond Indenture causes such mandatory tender not to occur, then (i) the Bond Trustee shall so notify the Holders of such Bonds (at their addresses as they appear on the registration books of the Bond Trustee on the date of such notice), by Electronic Notice, confirmed by first-class mail, as soon as may be practicable after the applicable Purchase Date, and (ii) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

(g) During any Variable Rate Period or any Window Variable-Rate Period, the Bonds are subject to mandatory tender for purchase on any Business Day (a "Corporation Elective Purchase Date") designated by the Corporation, with the consent of the Liquidity Provider, if any, at the Purchase Price, payable in immediately available funds. Such Corporation Elective Purchase Date shall be a Business Day not earlier than the 10th day following the second Business Day after receipt by the Tender Agent of such designation. If on a Corporation Elective Purchase Date sufficient remarketing proceeds are not available for the purchase of all Bonds, then the Corporation's designation of such Corporation Elective Purchase Date for the Bonds shall be deemed rescinded, the Corporation shall have no obligation to purchase the Bonds tendered or deemed tendered on the Corporation Elective Purchase Date, and the failed remarketing shall not constitute an Event of Default under this Bond Indenture. The Bond Trustee shall give Electronic Notice of such rescission to the Holders, with a copy to the Corporation, the Authority, the Tender Agent, the Remarketing Agent and any Liquidity Provider as soon as practicable and in any event not later than the next succeeding Business Day.

(h) During any RTV Rate Period, the Bonds are subject to mandatory tender for purchase on a Corporation Elective Purchase Date, with the consent of the Liquidity Provider, if any, at the Purchase Price, payable in immediately available funds. Such Corporation Elective Purchase Date shall be (1) in the case of an RTV Rate Bond bearing interest at an RTV Weekly Rate other than the Maximum Rate, a Business Day not earlier than the 10th day following the second Business Day after receipt by the Tender Agent of such designation, and (2) in the case of an RTV Rate Bond bearing interest at an RTV Extension Rate or at the Maximum Rate, any Business Day designated by the Corporation by notice to the Tender Agent. During an RTV Rate Period, if on a Corporation Elective Purchase Date sufficient remarketing proceeds are not available for the purchase of all RTV Rate Bonds, then the Corporation's designation of such Corporation Elective Purchase Date for such RTV Rate Bonds shall be deemed rescinded, the Corporation shall have no obligation to purchase the RTV Rate Bonds tendered or deemed tendered on the Corporation Elective Purchase Date, and the failed remarketing shall not constitute an Event of Default under this Bond Indenture. The Bond Trustee shall give Electronic Notice of such rescission to the Holders, with a copy to the Corporation, the Authority, the Tender Agent, the Remarketing Agent and any Liquidity Provider as soon as practicable and in any event not later than the next succeeding Business Day.

(i) In the event that the Index Rate Bonds constitute Unremarketed Bonds, such mandatory tender for purchase shall be deemed rescinded when the Bond Trustee receives notice from the Index Rate Holder indicating that, based on the Index Rate Holder's understanding that the conditions to term-out under the Index Rate Agreement have been satisfied, the Index Rate Bonds constitute Unremarketed Bonds.

(j) Upon receipt of written notice from the Credit Provider that an "Event of Default" has occurred under and as defined in the related Credit Facility Agreement and the purchase of all Bonds then Outstanding upon mandatory tender pursuant to Section 4.11(a)(6) above, the Bond Trustee, upon receipt of the written request of the Credit Provider, shall transfer to the Credit Provider all moneys and Investment Securities then on deposit in the Bond Fund for the payment of interest and principal on the Bonds secured by the Credit Facility. Such moneys and Investment Securities shall be held and applied by such Credit Provider as provided in any related Credit Facility Agreement.

(k) Moneys for any mandatory tender for purchase under this Section 4.11 shall be derived solely from Available Moneys while the Bonds subject to the mandatory tender for purchase are secured by a Credit Facility.

SECTION 4.12. Insufficient Funds for the Payment of Purchase Price.

(a) If the funds available for the purchase of Bonds subject to purchase on a Purchase Date are insufficient to purchase all of the Bonds subject to purchase on such Purchase Date (including Undelivered Bonds), then no purchase of any Bonds shall occur on such Purchase Date and, on such Purchase Date, the Tender Agent shall (i) return all of such Bonds that were tendered to the Holders thereof, (ii) return all moneys received by the Tender Agent for the purchase of such Bonds to the respective Persons that provided such moneys (in the respective amounts in which such moneys were so provided), and (iii) notify the Bond Trustee of the foregoing.

(b) The failure to purchase Bonds on a Purchase Date (other than (i) a Window Variable-Rate Optional Purchase Date; (ii) an RTV Optional Purchase Date; (iii) a Corporation Elective Purchase Date; (iv) an FRN Rate Soft Put Mandatory Purchase Date; and (v) a Purchase Date where a Liquidity Facility is in effect with respect to the Bonds, no automatic termination event has occurred under the Liquidity Facility, and the Liquidity Provider fails to pay or provide funds for the payment of the Purchase Price, when required) shall constitute an Event of Default.

(c) If Bonds are not purchased when required pursuant to Section 4.09(a)(1), 4.09(a)(2) or 4.09(a)(3) or Section 4.11(a)(2), 4.11(a)(3), 4.11(a)(4), 4.11(a)(5), 4.11(a)(6), 4.11(a)(8) and 4.11(a)(10), such Bonds shall bear interest at the Maximum Rate from such Purchase Date until such date that all of such Bonds have been remarketed.

(d) If Variable Rate Bonds are not purchased on a Corporation Elective Purchase Date, then such Variable Rate Bonds shall bear interest at a Variable Rate determined as provided in Section 2.03.

(e) If FRN Rate Soft Put Bonds are not purchased on an FRN Rate Soft Put Mandatory Purchase Date, such failure to pay the Purchase Price shall not constitute an Event of

Default under this Bond Indenture, and the FRN Rate Soft Put Bonds shall bear interest at the FRN Rate, calculated with an FRN Spread equal to 400 basis points (4%) (the “Stepped Coupon Rate”) or, if less, the Maximum Rate, from such FRN Rate Soft Put Mandatory Purchase Date until such time, if any, as all of the FRN Rate Soft Put Bonds are remarketed (the “Stepped Rate Period”).

(f) If Window Variable-Rate Bonds are not purchased on a Window Variable-Rate Optional Purchase Date or Corporation Elective Purchase Date, then such Window Variable-Rate Bonds will continue to bear interest determined as provided in Section 2.03.

(g) If RTV Bonds are not purchased on an RTV Optional Purchase Date or Corporation Elective Purchase Date, then the RTV Bonds shall bear interest as determined in accordance with *Exhibit C*.

(h) If Index Rate Bonds are not purchased when required pursuant to Sections 4.11(a)(11) and 4.11(a)(12), such Bonds shall bear interest at the Default Rate, unless such Index Rate Bonds constitute Unremarketed Bonds, in which case they shall bear interest at the Bank Index Rate.

SECTION 4.13. The Remarketing Agent.

(a) A Remarketing Agent may be appointed with respect to the Bonds from time to time (and in time to conduct the remarketing of Bonds with respect to any tender thereof on any Purchase Date) by the Authority at the Request of the Corporation with the prior written consent of any Liquidity Provider and any Credit Provider (which consent shall not be unreasonably withheld); provided, that a Remarketing Agent need not be appointed for purposes of converting the interest rate on the Bonds pursuant to a Direct Purchase Period Conversion, nor shall any such appointment be required for the duration of any Index Rate Period. The Remarketing Agent appointed with respect to the Bonds in accordance with this Bond Indenture shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it as described herein by a written instrument of acceptance delivered to the Authority, the Bond Trustee, the Corporation, any Liquidity Provider and any Credit Provider, or by executing and delivering a Remarketing Agreement, in either case under which the Remarketing Agent (subject to Section 4.13(b)) will agree, particularly:

(1) To hold all moneys delivered to it hereunder for the purchase of Bonds in trust for the exclusive benefit of the Person or Persons that shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such Person or Persons;

(2) To keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Authority, the Bond Trustee and the Corporation at all reasonable times;

(3) To determine the Variable Rates, Short-Term Rates, Long-Term Rates, Window Variable-Rate Spread, RTV Weekly Rate, FRN Spread and the Fixed Rate with respect to the Bonds and give notice of such rates or spread, as applicable in accordance with Article II and *Exhibit C*;

(4) To offer for sale and use its best efforts to find purchasers for the Bonds tendered for purchase, any such sale to be made at a price equal to 100% of the principal amount thereof plus accrued interest to the Purchase Date, in accordance with the terms of this Bond Indenture;

(5) To deliver to the Tender Agent all Bonds held by it in accordance with the terms of this Bond Indenture and the Remarketing Agreement; and

(6) To perform such other duties and responsibilities (including, without limitation, with respect to Bank Bonds) as are provided in this Bond Indenture to be performed by the Remarketing Agent.

(b) One or more firms may serve as co-Remarketing Agents with respect to the Bonds hereunder provided that each co-Remarketing Agent satisfies the requirements of Section 4.14. If co-Remarketing Agents have been appointed and are performing the duties of Remarketing Agent with respect to the Bonds hereunder, all references herein to the Remarketing Agent with respect to the Bonds shall be deemed to refer to all the Remarketing Agents with respect to the Bonds acting jointly; provided that the Remarketing Agreement may provide that one firm may perform certain specified duties hereunder in its sole capacity.

(c) In the event that the Remarketing Agent shall be dissolved, or if the property or affairs of the Remarketing Agent shall be taken under control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the office of the Remarketing Agent is (or is deemed by the Bond Trustee to be) vacant, and the Authority shall not have appointed a successor as such Remarketing Agent, the Tender Agent shall *ipso facto* be deemed to be such Remarketing Agent for all purposes of this Bond Indenture until the appointment by the Authority at the Request of the Corporation with the prior written consent of any Liquidity Provider and any Credit Provider (which consent shall not be unreasonably withheld) of a successor to such Remarketing Agent; provided, however, that the Tender Agent, in its capacity as such Remarketing Agent, shall not be required to remarket such Bonds or determine the interest rate on such Bonds hereunder.

(d) The Remarketing Agent may in good faith hold any Bonds or any other form of indebtedness issued by the Authority or any security issued by the Corporation; own, accept or negotiate any drafts, bills of exchange, acceptances or obligations thereof; and make disbursements therefor and enter into any commercial or business arrangement therewith; all without any liability on the part of the Remarketing Agent for any real or apparent conflict of interest by reason of any such actions.

SECTION 4.14. Qualifications of Remarketing Agent. The Remarketing Agent shall be authorized by law to perform all the duties imposed upon it hereunder. The Remarketing Agent may at any time resign and be discharged of the duties and obligations of the Remarketing Agent described in this Bond Indenture by giving at least 30 days' notice to the Authority, the Bond Trustee, the Tender Agent, any Liquidity Provider, any Credit Provider, the Corporation and the Rating Agencies. The Remarketing Agent may be removed by the Authority at any time upon the Request of the Corporation upon written notice to the

Remarketing Agent, the Bond Trustee, the Tender Agent, any Liquidity Provider, any Credit Provider and the Rating Agencies.

SECTION 4.15. Sale of Bonds by Remarketing Agent.

(a) Upon the receipt by the Remarketing Agent of (1) notice of tender of Variable Rate Bonds, RTV Rate Bonds or Window Variable-Rate Bonds pursuant to Section 4.09, and (2) notice of mandatory tender of Bonds pursuant to Section 4.11, the Remarketing Agent shall offer for sale and use its best efforts, subject to the terms of the Remarketing Agreement to solicit purchases of Bonds subject to purchase on the applicable Purchase Date at a price equal to the Purchase Price; provided, however, that the Remarketing Agent shall not offer for sale or use its best efforts to solicit purchases of Bonds subject to mandatory tender on the fifth day next preceding the Expiration Date of the Liquidity Facility (unless, on or prior to such day, the Expiration Date of such Liquidity Facility is extended) or the Termination Date; and provided further, however, that, so long as a Liquidity Facility is in effect with respect to the Bonds, the Remarketing Agent shall not offer for sale or sell any Bonds to the Authority, the Corporation or any affiliate of the Corporation.

(b) The Remarketing Agent shall direct that the proceeds of all purchases of Bonds solicited and arranged by the Remarketing Agent be paid to the Tender Agent (for deposit in the Remarketing Account of the Purchase Fund), at or prior to Noon, New York City time, on the applicable Purchase Date, in immediately available funds (and, promptly upon receipt thereof, the Tender Agent shall deposit such proceeds in the Remarketing Account of the Purchase Fund).

(c) At or prior to 4:30 p.m., New York City time, on the Business Day next preceding each Purchase Date (other than a Purchase Date arising under Section 4.09 with respect to a Bond bearing interest at a Daily Rate or Two-Day Rate), the Remarketing Agent shall give notice by telephone (promptly confirmed by Electronic Notice) to the Tender Agent specifying: (1) the aggregate principal amount and Purchase Price of Bonds subject to purchase on such Purchase Date for which the Remarketing Agent has received indications of interest from prospective purchasers, and (2) the aggregate principal amount and Purchase Price of Bonds subject to purchase on such Purchase Date for which the Remarketing Agent has not received indications of interest from prospective purchasers.

(d) The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of all Bank Bonds at a price equal to 100% of the principal amount thereof plus (unless all of the Bonds are Bank Bonds or as otherwise provided in Section 2.03(g) or Section 2.04) accrued and unpaid interest thereon at the rate that would be borne by such Bank Bonds if such Bank Bonds were not Bank Bonds. In connection with each remarketing of Bank Bonds by the Remarketing Agent:

(1) The Remarketing Agent shall (A) provide to the Corporation, the Liquidity Provider, the Bond Trustee and the Tender Agent not less than one Business Day's prior notice of such remarketing, and (B) pay, or cause to be paid to the Liquidity Provider, by wire transfer of immediately available funds, the proceeds of such remarketing;

(2) The Corporation shall (A) in consultation with the Liquidity Provider, calculate the amounts payable to the Liquidity Provider pursuant to the Liquidity Facility or the related Liquidity Facility Agreement by reason of, and on the date of such remarketing (such amounts being referred to as the "Remarketing Payment Amount"), and (B) pay to the Liquidity Provider, or direct the Bond Trustee to withdraw from the Bond Fund and pay to the Liquidity Provider, in either case, on the date of such remarketing and by wire transfer of immediately available funds, an amount of money which, when added to the proceeds of such remarketing being delivered to the Liquidity Provider on the date of such remarketing, equals the Remarketing Payment Amount;

(3) The Tender Agent shall confirm with the Liquidity Provider the receipt by the Liquidity Provider of the Remarketing Payment Amount, the reinstatement of the obligation of the Liquidity Provider to make funds available under the Liquidity Facility and the authorization of the Liquidity Provider to release such Bank Bonds or its security interest therein; and

(4) After, and only after, receipt by the Tender Agent of confirmation by the Liquidity Provider of the reinstatement of the obligation of the Liquidity Provider under the Liquidity Facility to purchase or make funds available for the purchase of such Bank Bonds following remarketing of such Bank Bonds and authorization by the Liquidity Provider of such transfer or such authentication and delivery, the Tender Agent shall (A) while a book-entry system is in effect with respect to the Bonds, cause the ownership interest in such Bank Bonds to be transferred to or for the benefit of such purchaser or purchasers as are specified by the Remarketing Agent for such purpose, and (B) while a book-entry system is not in effect with respect to the Bonds, cause the Bond Trustee to authenticate other Bonds in lieu of such Bank Bonds and to deliver the same to or upon the instruction of the Remarketing Agent.

(e) The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of (1) all Bonds subject to purchase on a Purchase Date that are purchased with moneys provided by the Corporation to the Tender Agent for such purpose (as described in Section 4.10(c)(2)), and (2) all Bonds that are purchased by the Corporation pursuant to the Liquidity Facility or the related Liquidity Facility Agreement and not surrendered by the Corporation for cancellation.

SECTION 4.16. Delivery of Bonds.

(a) Upon application of the moneys described in Section 4.10(d)(1) to the purchase of Bonds on a Purchase Date pursuant to Section 4.10(d)(1) (and/or to the transfer thereof to the Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date pursuant to Section 4.10(e)), the Tender Agent shall cause the Bond Trustee to register the transfer of Bonds purchased therewith in the names of the purchasers thereof in accordance with information provided by the Remarketing Agent for such purpose and to have such transferred Bonds available for delivery against payment therefor.

(b) Upon application of the moneys described in Section 4.10(d)(2) to the purchase of Bonds on a Purchase Date pursuant to Section 4.10(d)(2) (and/or to the transfer thereof to the

Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date pursuant to Section 4.10(e)), (1) the Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall constitute Bank Bonds (unless and until such Bonds cease to be Bank Bonds as described in Section 2.11), and (2) if a book-entry system is in effect with respect to the Bonds, the ownership interest in such Bank Bonds shall be transferred on the books of the Securities Depository to or for the account of the Tender Agent or a Securities Depository Participant acting on behalf of the Tender Agent and the Tender Agent shall, and shall cause such Securities Depository Participant to, mark its own books and records to reflect the beneficial ownership of such Bank Bonds by the Liquidity Provider, and (3) if a book-entry system is not in effect with respect to the Bonds, such Bonds shall be delivered by the Tender Agent to the Bond Trustee for registration of transfer and shall be registered by the Bond Trustee in the name of the Liquidity Provider, or any nominee of such Liquidity Provider, and delivered by the Bond Trustee to the Tender Agent and held by the Tender Agent as bailee and custodian of such Liquidity Provider. The Tender Agent shall release and redeliver or transfer Bank Bonds (being remarketed by the Remarketing Agent) as provided in Section 4.15(d). Any other disposition of Bank Bonds shall be made only at the written direction or with the prior written consent of the Liquidity Provider.

(c) Upon the application of moneys described in Section 4.10(d)(3) to the purchase of Bonds on a Purchase Date pursuant to Section 4.10(d)(3) (and/or to the transfer thereof to the Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date pursuant to Section 4.10(e)), the Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall be registered in the name of the Corporation and shall, at the direction of the Corporation, be delivered to the Bond Trustee for cancellation (and canceled by the Bond Trustee) or delivered to the Tender Agent for the account of the Corporation and remarketed in accordance with Section 4.15(e).

(d) Any Bonds canceled by the Bond Trustee pursuant to this Section and any Bonds surrendered by the Corporation to the Bond Trustee for cancellation shall be allocated to the next succeeding Mandatory Sinking Account Payment with respect to the Bonds, then as a credit against such future Mandatory Sinking Account Payments with respect to the Bonds as the Corporation may specify in a certificate of an Authorized Representative of the Corporation. So long as a Liquidity Facility is in effect, the Bond Trustee shall notify the Liquidity Provider of the aggregate principal amount of Bonds so canceled and shall submit to such Liquidity Provider such documents, if any, as are required in accordance with the terms of such Liquidity Facility to cause the amounts available under such Liquidity Facility to be reduced in respect of such Bonds so canceled.

(e) Bonds secured by a Credit Facility shall not be delivered upon remarketing unless the Tender Agent shall have received a written confirmation from the Credit Provider that the Credit Facility is reinstated in accordance with its terms to the full amount of the then Required Stated Amount.

SECTION 4.17. The Liquidity Facility and/or Credit Facility.

(a) The Corporation may, but is not required to, cause to be delivered to the Tender Agent a Liquidity Facility. In each case where a Liquidity Facility is to be delivered to the

Tender Agent (including the delivery of a new Liquidity Facility in substitution for an existing Liquidity Facility), the Liquidity Facility shall only become effective with respect to the Bonds if the Bonds have been successfully purchased and remarketed on the related Mandatory Purchase Date. Upon delivery of a Liquidity Facility with respect to the Bonds, together with the documents described in clause (e) below, the Tender Agent shall accept such Liquidity Facility and, upon such acceptance, such Liquidity Facility shall be the Liquidity Facility with respect to the Bonds and the issuer or issuers of such Liquidity Facility (or any agent acting on its or their behalf) shall be the Liquidity Provider with respect to the Bonds, in each case, for all purposes of this Bond Indenture. The Bond Trustee shall hold and maintain any Liquidity Facility for the benefit of the Holders until the Liquidity Facility terminates in accordance with its terms or upon any voluntary termination thereof by the Corporation. The Bond Trustee shall make a Liquidity Facility Request on the applicable Liquidity Facility in accordance with its terms and in accordance with the provisions of this Bond Indenture and shall diligently enforce all its rights as beneficiary under such Liquidity Facility, including payment when due of any draws on such Liquidity Facility. The consent or agreement of the Bond Trustee or the Holders shall not be required for any amendments or modifications to any Liquidity Facility Agreement. If at any time during the term of the applicable Liquidity Facility any successor Bond Trustee shall be appointed and qualified under this Bond Indenture, the resigning or removed Bond Trustee shall request that the Liquidity Provider transfer the Liquidity Facility to the successor Bond Trustee in accordance with the terms of such Liquidity Facility. If the resigning or removed Bond Trustee fails to make this request, the successor Bond Trustee shall do so before accepting appointment. When the Liquidity Facility expires in accordance with its terms, is voluntarily terminated by the Corporation or is replaced by a new Liquidity Facility, or by its terms is otherwise required to be surrendered, the Bond Trustee shall immediately surrender the existing Liquidity Facility to the Liquidity Provider. Additionally, when the amount available to be drawn under the applicable Liquidity Facility is reduced or may be reduced or may be increased in accordance with its terms, the Bond Trustee shall take such action as may be required to evidence such reduction or increase.

(b) The Corporation may, but is not required to, cause to be delivered to the Bond Trustee a Credit Facility with respect to the Bonds. In each case where a Credit Facility is to be delivered to the Bond Trustee (including the delivery of a new Credit Facility in substitution for an existing Credit Facility), the Credit Facility shall only become effective with respect to the Bonds if the Bonds have been successfully purchased and remarketed on the related Mandatory Purchase Date. Upon delivery of a Credit Facility with respect to the Bonds, together with the documents described in clause (f) below, the Bond Trustee shall accept such Credit Facility and, upon such acceptance, such Credit Facility shall be the Credit Facility with respect to the Bonds and the issuer or issuers of such Credit Facility (or any agent acting on its or their behalf) shall be the Credit Provider with respect to the Bonds, in each case, for all purposes of this Bond Indenture. The Bond Trustee shall hold and maintain any Credit Facility for the benefit of the Holders until the Credit Facility terminates in accordance with its terms or upon any voluntary termination thereof by the Corporation. The Bond Trustee shall make a Credit Facility Request on the applicable Credit Facility in accordance with its terms and in accordance with the provisions of this Bond Indenture and shall diligently enforce all its rights as beneficiary under such Credit Facility, including payment when due of any draws on such Credit Facility. The consent or agreement of the Bond Trustee or the Holders shall not be required for any amendments or modifications to any Credit Facility Agreement. If at any time during the term of

the applicable Credit Facility any successor Bond Trustee shall be appointed and qualified under this Bond Indenture, the resigning or removed Bond Trustee shall request that the Credit Provider transfer the Credit Facility to the successor Bond Trustee in accordance with the terms of such Credit Facility. If the resigning or removed Bond Trustee fails to make this request, the successor Bond Trustee shall do so before accepting appointment. When the Credit Facility expires in accordance with its terms, is voluntarily terminated by the Corporation or is replaced by a new Credit Facility, or by its terms is otherwise required to be surrendered, the Bond Trustee shall immediately surrender the existing Credit Facility to the Credit Provider. Additionally, when the amount available to be drawn under the applicable Credit Facility is reduced or may be reduced or may be increased in accordance with its terms, the Bond Trustee shall take such action as may be required to evidence such reduction or increase.

(c) Pursuant to and in accordance with Section 4.11, if a Liquidity Facility or a Credit Facility is delivered with respect to the Bonds, the Bonds will be subject to mandatory tender on the Purchase Date determined pursuant to and in accordance with Section 4.11(a)(5). If an existing Liquidity Facility is in effect on that Purchase Date, funds for the purchase of the Bonds tendered on that Purchase Date will be made available in accordance with the terms of that existing Liquidity Facility and not the new Liquidity Facility to be delivered on that Purchase Date.

(d) The Corporation shall notify the Authority, the Bond Trustee, the Tender Agent, the Remarketing Agent, any then existing Credit Provider and any then existing Liquidity Provider of the proposed delivery of a Liquidity Facility or Credit Facility and the related Liquidity Facility Date or Credit Facility Date, as applicable, at least 20 days prior to such Liquidity Facility Date or Credit Facility Date, as applicable. The Bond Trustee shall give notice to the Holders of the Bonds (at their addresses as they appear on the registration books of the Bond Trustee as of the date of such notice), by Electronic Notice, confirmed by first class mail, of the proposed delivery of a Liquidity Facility or Credit Facility and the related Liquidity Facility Date or Credit Facility Date, as applicable, at least 15 days prior to such Liquidity Facility Date or Credit Facility Date, as applicable. Such notice shall also constitute the notice of mandatory tender of the Bonds on the related Liquidity Facility Date or Credit Facility Date, as applicable; provided, however, that in addition to the information required by 4.11(d), such notice shall state that such mandatory tender of the Bonds will not occur if, on or prior to the proposed Liquidity Facility Date or Credit Facility Date, the Tender Agent and/or the Bond Trustee, as applicable, does not receive such Liquidity Facility or Credit Facility, as applicable, together with the Supporting Facility Documents (as defined in Section 4.17(f)). If, by reason of the conditions to such mandatory tender of the Bonds (as stated in such notice), there is no mandatory tender of the Bonds on the proposed Liquidity Facility Date or Credit Facility Date, as applicable, (1) the Tender Agent shall so notify the Bond Trustee, (2) the Bond Trustee shall so notify the Holders of the Bonds (at their addresses as they appear on the registration books of the Bond Trustee as of the date of such notice) by Electronic Notice, confirmed by first class mail, and (3) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

(e) The Corporation may elect at any time (1) to permit a Liquidity Facility or Credit Facility to expire without delivering a new Liquidity Facility or Credit Facility, as applicable, (2)

to terminate a Liquidity Facility or Credit Facility prior to its expiration, or (3) to not provide a Liquidity Facility or Credit Facility.

(f) In connection with the delivery of a Liquidity Facility or Credit Facility, the Corporation shall deliver, or shall cause to be delivered, the following documents (the "Supporting Facility Documents"):

(1) Written evidence from each Rating Agency then maintaining a rating on the Bonds of the rating to be assigned by such Rating Agency to the Bonds following the delivery of the Liquidity Facility or Credit Facility with respect to the Bonds (unless the Corporation determines that such ratings are not necessary for the remarketing of the Bonds);

(2) A written opinion of counsel to the Liquidity Provider or Credit Provider, as applicable, addressed to the Authority, the Bond Trustee and the Tender Agent, to the effect that:

(A) Such Liquidity Facility or Credit Facility, as applicable, is the legal, valid and binding obligation of the issuer or issuers thereof, enforceable against such issuer or issuers in accordance with its terms (subject to customary exceptions relating to bankruptcy, insolvency and rights of creditors generally and to specific performance and equitable remedies), and

(B) In connection with the remarketing of the Bonds with the support of such Liquidity Facility or Credit Facility, as applicable, it is not necessary to register such Liquidity Facility under the Securities Act of 1933, as amended, or to qualify this Bond Indenture under the Trust Indenture Act of 1939, as amended;

(3) An Opinion of Bond Counsel to the effect that the delivery of the Liquidity Facility or Credit Facility, as applicable, with respect to the Bonds will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled, and

(4) If applicable, the written acknowledgment of the Liquidity Provider or Credit Provider with respect to any Liquidity Facility or Credit Facility then in effect that all conditions precedent to its termination have been fulfilled (or provision satisfactory to such Liquidity Provider or Credit Provider has been made for such fulfillment).

(g) If there is a Liquidity Facility or Credit Facility in effect with respect to the Bonds, the Tender Agent or Bond Trustee, as applicable, shall make Liquidity Facility Requests in accordance with Section 4.10(c) and draws on the Credit Facility in accordance with Section 5.05.

(h) The Tender Agent shall not terminate or reduce the amounts available under a Liquidity Facility or Credit Facility except by reason of (1) the redemption, cancellation and/or defeasance of the Bonds, or (2) the conversion of the Bonds to an Interest Rate Mode which is not covered by such Liquidity Facility. Notwithstanding the foregoing, the Corporation may elect to terminate a Liquidity Facility or Credit Facility at any time in accordance with its terms.

SECTION 4.18. The Index Agent; Qualifications of the Index Agent.

(a) The appointment of PNC Bank, National Association as the Index Agent is hereby acknowledged. Successor Index Agents may be appointed from time to time by the Authority at the Request of the Corporation; provided, that (i) an Index Agent need not be appointed for the duration of any Interest Rate Mode other than an Index Rate Period and (ii) an Index Agent shall be in place at all times during any Index Rate Period. Each Index Agent shall agree to perform such of the duties of the Index Agent hereunder as are set forth herein and in the Index Rate Agreement. The Index Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

(b) The Index Agent shall be duly organized under the laws of the United States of America or any state or territory thereof and be (1) a commercial bank and trust company or (2) a national banking association, have a combined capital stock, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) and be authorized by law to perform all duties imposed upon it by this Bond Indenture.

(c) The Index Agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture by giving at least 60 days' notice to the Authority, the Bond Trustee and the Corporation, provided that such resignation shall not take effect until the appointment and acceptance of a successor Index Agent.

(d) If no appointment of a successor Index Agent shall have been made pursuant to the foregoing provisions of this Section, the Index Agent resigning or any Holder (on behalf of himself and all other Holders) may petition any court of competent jurisdiction for the appointment of a successor Index Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Index Agent.

(e) Any Person into which the Index Agent 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 Person to which the Index Agent may sell or transfer all or substantially all of its assets, provided such Person shall be eligible under this Section 4.18, shall be the successor to such Index Agent, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. Upon any such merger, consolidation or sale, the successor Index Agent shall notify the Authority, the Corporation and the Bond Trustee and, thereafter, shall mail to the registered owners of all Outstanding Bonds at the addresses appearing on the registration books maintained by the Bond Trustee notice of the succession of such Index Agent to the duties of the Index Agent hereunder.

ARTICLE V

REVENUES AND FUNDS

SECTION 5.01. Establishment of Funds. There is hereby established a separate special fund to be designated the "WHCFA Series 2015A Bond Fund" (the "Bond Fund").

The money in the Bond Fund shall be held by the Bond Trustee in trust and applied as hereinafter provided and, pending such application, the Bond Fund and the money therein shall

be subject to a lien and charge in favor of the Bond Trustee for the benefit of the Holders of all the Bonds and for the security of the Holders of all the Bonds.

The Bond Trustee shall also create such other funds and accounts hereunder as shall be deemed necessary or advisable by the Bond Trustee or as requested in writing by the Corporation from time to time as necessary to facilitate proper administration hereunder, but the establishment of any such fund or account shall not alter or modify any of the requirements of this Bond Indenture with respect to a deposit or use of money in the Bond Fund or the Purchase Fund, or result in commingling of funds not permitted hereunder. With respect to Bonds secured by a Credit Facility, within each account of the Bond Fund there shall be maintained a subaccount for the deposit of the proceeds of a drawing upon the Credit Facility.

SECTION 5.02. Pledge and Assignment of Revenues and Rights under the Loan Agreement; Bond Fund.

(a) Subject only to the provisions of this Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, there are hereby pledged to secure the payment of the Required Bond Payments, all of the Revenues and any other amounts (including proceeds of the original sale of Bonds) held in any fund or account established pursuant to this Bond Indenture, excepting only the Purchase Fund and the accounts therein. Said pledge shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery by the Bond Trustee of the Bonds, without any physical delivery thereof or further act.

(b) The Authority hereby transfers in trust, grants a security interest in and assigns to the Bond Trustee, for the benefit of the Holders of the Bonds and the Credit Provider, if any, as security for the payment of Required Bond Payments, all of the Revenues and other assets pledged in subsection (a) of this Section and all of the right, title and interest of the Authority in, to and under (1) the Loan Agreement (with certain reservations and exceptions noted in Article IX thereof) and (2) the Obligation. The Bond Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Bond Trustee and shall forthwith be paid by the Authority to the Bond Trustee. The Bond Trustee also shall be entitled to and shall (subject to the provisions of Section 8.03(d)) take all steps, actions and proceedings reasonably necessary in its judgment to enforce all of the rights of the Authority and all of the obligations of the Corporation under the Loan Agreement and the Obligation that are assigned and pledged to the payment and security of the Bonds pursuant to this Bond Indenture.

(c) All Revenues shall be promptly deposited by the Bond Trustee upon receipt thereof in the Bond Fund, except that Revenues comprised of all interest, profits and other income received from the investment of funds or accounts established pursuant hereto (other than the Purchase Fund) shall be credited, as received, to such fund or account as provided in Section 5.04. All Revenues deposited with the Bond Trustee shall be held, disbursed, allocated and applied by the Bond Trustee only as provided in this Bond Indenture.

(d) If by 10:00 a.m., Denver, Colorado time, on any Principal Payment Date (with respect to payments of principal and Mandatory Sinking Account Payments), or any Interest Payment Date (with respect to payments of interest), the Bond Trustee has not received Revenues that are sufficient and available to make the payments on the Bonds required hereunder, the Bond Trustee shall immediately notify the Corporation, the Authority, any Credit Provider and any Liquidity Provider of such insufficiency by Electronic Notice.

SECTION 5.03. Application of Bond Fund. All amounts in the Bond Fund shall be used and withdrawn by the Bond Trustee solely for the purpose of paying the Required Bond Payments, and the payments to the Liquidity Provider in respect of payment of interest on Bank Bonds as the Corporation directs the Bond Trustee to make pursuant to Sections 2.11 and 4.15(d).

Notwithstanding the foregoing, while the Bonds are secured by a Credit Facility, all amounts in the Bond Fund shall be used and withdrawn by the Bond Trustee solely for the purpose of reimbursing the Credit Provider for drawings or amounts paid under the Credit Facility to pay principal or interest on such Bonds pursuant to Section 5.05 hereof or if, and only if, the Credit Provider is in default with respect to payments under the Credit Facility, to pay principal or interest on such Bonds, when due.

At any time prior to the giving of notice of redemption of Bonds, the Bond Trustee may apply Mandatory Sinking Account Payments that are on deposit in the account of the Bond Fund to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges) as the Bond Trustee may be directed by the Authority, upon the written direction of the Corporation, except that the purchase price (excluding accrued interest) shall not exceed the par value of such Bonds. If, during the twelve-month period immediately preceding said Mandatory Sinking Account Payment date, the Bond Trustee has purchased Bonds with moneys in the Bond Fund or, during said period and prior to the selection of Bonds for redemption, the Corporation has deposited Bonds with the Bond Trustee, or Bonds were at any time purchased or redeemed by the Bond Trustee from the Bond Fund which are allocable to said Mandatory Sinking Account Payment, such Bonds so purchased or deposited or redeemed shall be applied, to the extent of the full principal amount thereof, first to reduce said Mandatory Sinking Account Payment, and then as a credit against such future Mandatory Sinking Account Payments as the Corporation may direct. All Bonds purchased or deposited pursuant to this Section 5.03 shall be canceled by the Bond Trustee in accordance with its customary procedures.

At any time prior to selection of the Bonds for redemption, the Bond Trustee shall apply amounts on deposit in the Bond Fund for the optional or special redemption of Bonds to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges) as shall be directed by the Corporation; provided, that the purchase price (exclusive of accrued interest) may not exceed the Redemption Price then applicable to such Bonds; and provided further, that in the case of optional redemption, in lieu of redemption on the next succeeding date of redemption, or in combination therewith, amounts in the Bond Fund for optional redemption of Bonds may be credited against Loan Repayments in order of their due dates upon the direction of the Corporation to the Bond Trustee (and used for the purposes for which such Loan Repayments are required to be made).

SECTION 5.04. Investment of Moneys in Funds and Accounts. All moneys in any of the funds and accounts established pursuant to this Bond Indenture shall be invested by the Bond Trustee upon the direction of the Corporation, solely in Investment Securities except (a) with respect to amounts on deposit in the Purchase Fund (and the accounts therein) which shall be held uninvested in accordance with Section 4.10(a), and (b) with respect to amounts on deposit in the Bond Fund, which shall be invested in Bond Fund Investment Securities.

In directing investments, the Corporation shall comply with the limitations set forth in the Tax Agreement, the limitations as set forth under the laws of the State, the limitations as to maturities hereinafter set forth in this Section 5.04 and such additional limitations or requirements consistent with the foregoing as may be established by the direction of the Corporation.

Notwithstanding any other provision herein, in the absence of written investment directions delivered to the Bond Trustee by 12:00 Noon, Denver, Colorado time, on the Business Day preceding the day when investments are to be made, the Bond Trustee, shall (without further direction) invest available funds in the Wells Fargo Advantage Funds, Government Money Market Fund or a successor money market fund.

Moneys in the funds and accounts established pursuant to this Bond Indenture (other than the Purchase Fund and the accounts therein) shall be invested in Investment Securities or, with respect to the Bond Fund, Bond Fund Investment Securities, maturing not later than the date on which it is estimated that such moneys will be required by the Bond Trustee.

All interest, profits and income received from the investment of moneys in any fund or account (other than the Purchase Fund and the accounts therein) shall be credited to such fund or account or, at the direction of the Corporation, deposited in the Bond Fund. Notwithstanding anything to the contrary contained in this paragraph, any amount of interest received with respect to any Investment Security or Bond Fund Investment Security equal to the amount of accrued interest, if any, paid as part of the purchase price of such Investment Security or Bond Fund Investment Security shall be credited to the fund or account from which such accrued interest was paid.

For the purpose of determining the amount on deposit in any fund or account hereunder, all Investment Securities and Bond Fund Investment Securities credited to such funds shall be valued at par.

The Bond Trustee may commingle any of the funds or accounts established pursuant to this Bond Indenture (other than the Purchase Fund and the accounts therein) into a separate fund or funds for investment purposes only, provided that all funds or accounts held by the Bond Trustee hereunder shall be accounted for separately as required by this Bond Indenture. The Bond Trustee may purchase from or sell to itself or any affiliate of it as principal or agent in the making or disposing of any investment. The Bond Trustee shall sell at a fair market price, or present for redemption, any Investment Securities or Bond Fund Investment Securities so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security or Bond Fund Investment Security is credited, and, subject to the provisions of Section 8.03, the

Bond Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance with the terms hereof.

Notwithstanding the foregoing, all proceeds of a drawing upon the Credit Facility shall not be commingled and shall be applied to the payment of Eligible Bonds only. Available Moneys held for the redemption or payment of Bonds shall not be commingled with any other funds held under this Bond Indenture.

SECTION 5.05. Draws Upon Credit Facility. Prior to using any other funds, if the Credit Facility is a letter of credit, the Bond Trustee or the Tender Agent, as applicable, shall, not later than 10:00 a.m., Denver, Colorado time, on the Business Day immediately prior to each Interest Payment Date or Principal Payment Date, draw upon such Credit Facility in accordance with its terms in the amount necessary to fully provide for payments due on the Eligible Bonds on each such Interest Payment Date and Principal Payment Date, as the case may be, and shall apply the proceeds of such drawing to the payment of the Bonds prior to using any other funds to make payment upon the Bonds.

Notwithstanding anything in this Bond Indenture to the contrary, the Bond Trustee shall make no drawings under a Credit Facility with respect to such Bonds for which the Authority, the Corporation or any Liquidity Provider, or any Affiliate of any of them, is the Holder.

ARTICLE VI

PARTICULAR COVENANTS

SECTION 6.01. Punctual Payment. Subject to Section 11.01, the Authority shall punctually pay or cause to be paid the Required Bond Payments, in strict conformity with the terms of the Bonds and of this Bond Indenture, according to the true intent and meaning thereof, but only out of Revenues available therefor and other assets pledged and available for such payment as provided in this Bond Indenture.

SECTION 6.02. Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of interest on any of the Bonds (or any claims for such interest), and in case the maturity of any of the Bonds or the time of payment of interest on any of the Bonds (or any claims for such interest) shall be extended, such Bonds (or such claims for interest) shall not be entitled, in case of any Event of Default hereunder, to the benefits of this Bond Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of interest thereon (and all claims for interest thereon) which shall not have been so extended. The occurrence of an RTV Extension Period in accordance with the provisions of this Bond Indenture shall not constitute an extension for purposes of the foregoing sentence. Nothing in this Section shall be deemed to limit the right of the Authority to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

SECTION 6.03. Against Encumbrances. The Authority shall not create, or permit parties within its control to create, any pledge, lien, charge or other encumbrance upon the

Revenues and other assets pledged or assigned under this Bond Indenture while any of the Bonds are Outstanding, except for the pledge and assignment created by this Bond Indenture. In addition, if the Authority receives notice from the Bond Trustee or the Corporation of the creation of any such pledge, lien, charge or other encumbrance, the Authority, at the sole expense of the Corporation, shall take action to resist such creation of, and shall cause to be released, such pledge, lien, charge or other encumbrance upon the request of the Bond Trustee or the Corporation. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, including other programs under the Act, and reserves the right to issue other obligations for such purposes.

SECTION 6.04. Power to Issue Bonds and Make Pledge and Assignment. The Authority is duly authorized pursuant to law to issue the Bonds and to enter into this Bond Indenture, and to pledge and assign the Revenues and other assets purported to be pledged and assigned, respectively, under this Bond Indenture, in the manner and to the extent provided in this Bond Indenture. The Bonds and the provisions of this Bond Indenture are and will be the legal, valid and binding special fund revenue obligations of the Authority, enforceable in accordance with their terms, and the Authority, at the sole expense of the Corporation, shall at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment by the Authority of Revenues and other assets against all claims and demands of all Persons whomsoever.

SECTION 6.05. Accounting Records and Financial Statements.

(a) The Bond Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with the Bond Trustee's accounting practices for books of record and account relating to similar trust accounts and in accordance with the customary standards of the corporate trust industry for such books of record and account, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds, the Revenues, the Loan Agreement and all funds and accounts established pursuant to this Bond Indenture. Such books of record and account shall be available for inspection by the Authority, the Corporation, any Credit Provider, any Liquidity Provider and any Holder, or its agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

(b) The Bond Trustee shall furnish to the Corporation and the Authority on or prior to the 15th Business Day of each month a complete financial statement (which need not be audited) covering receipts, disbursements, allocation and application of Revenues and any other moneys (including Bond proceeds) in any of the funds and accounts established pursuant to this Bond Indenture for the preceding month and shall file with the Authority on or prior to the 15th Business Day after the end of each year a complete financial statement (which need not be audited) covering receipts, disbursements, allocation and application of Revenues and any other moneys (including Bond proceeds) in any of the funds and accounts established pursuant to this Bond Indenture for the preceding year.

SECTION 6.06. Tax Covenants. The Authority shall at all times use its best efforts, at the sole expense of the Corporation, to do and perform all acts and things permitted by law and this Bond Indenture which are necessary for the Bonds to satisfy the requirements of

Sections 103 and 141 through 150 of the Code in order to assure that interest on the Bonds will be excluded from gross income for federal income tax purposes and will take no action that would result in failure of the Bonds to satisfy those requirements of the Code. The Authority and the Bond Trustee covenant that they will comply with the provisions of the Tax Agreement applicable to them, which are incorporated herein as if fully set forth herein. Such covenants shall survive payment in full or defeasance of the Bonds.

With respect to facts and events regarding the Bonds occurring after the Date of Issue, the use of Bond proceeds and the use and operation of the Project Facilities and other matters not directly related to the Authority, the Authority, in making the certifications and representations in the Tax Agreement, is relying exclusively on the certifications and representations of the Corporation set forth in the Tax Agreement. The Authority is not aware of any facts or circumstances that would cause the Authority to question the accuracy or reasonableness of any representation or certification made in the Tax Agreement.

SECTION 6.07. Amendment of Loan Agreement and Tax Agreement; Other Covenants.

(a) The Loan Agreement may be amended, modified or terminated only pursuant to a written instrument signed by the Authority and the Corporation with the prior written consent of the Bond Trustee and the prior written consent of the Index Rate Holder, if applicable, and the prior written consent of each Liquidity Provider and Credit Provider, if any.

(b) The Bond Trustee shall consent to (1) any amendment or modification of the Loan Agreement to provide for or facilitate the delivery of a Liquidity Facility and/or a Credit Facility in accordance with Section 4.17, or (2) any amendment, modification or termination of the Loan Agreement, (A) if there shall be provided to the Bond Trustee an Opinion of Counsel or a report of a Consultant, upon which Opinion or report the Bond Trustee and the Authority may conclusively rely, that, such amendment, modification or termination will not materially adversely affect the interests of the Holders or result in any material impairment of the security hereby given for the payment of the Bonds or (B) if the Bond Trustee first obtains consent of the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding to such amendment, modification or termination; provided, however, that no such amendment, modification or termination shall reduce the amount of Loan Repayments or Required Liquidity Payments to be made to the Authority, the Bond Trustee or the Tender Agent by the Corporation pursuant to the Loan Agreement, or extend the time for making such payments, without the consent of all of the Holders of the Bonds then Outstanding.

(c) The Authority, at the direction and sole expense of the Corporation with the prior written consent of the Bond Trustee (given as provided in Section 6.07(b)(2)(A)) and with the prior written consent of the Index Rate Holder, the Liquidity Provider and the Credit Provider, if any (but only to the extent that any such Index Rate Holder, Liquidity Provider or Credit Provider has retained such right in the related Index Rate Agreement, Liquidity Facility Agreement or Credit Facility Agreement, as applicable) but without the necessity of obtaining the consent of the Holders, shall enter into amendments or modifications of the Loan Agreement, only to the extent permitted by law and only for one or more of the following purposes:

(1) To add to the covenants and agreements of the Authority or the Corporation contained in the Loan Agreement other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof) or to surrender any right or power therein reserved to or conferred upon the Authority or the Corporation, provided, that no such covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Holders of the Bonds;

(2) To make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Loan Agreement, or in regard to such matters or questions arising under the Loan Agreement, as the Authority, at the direction of and in sole reliance upon the Corporation, may deem necessary or desirable and not inconsistent with the Loan Agreement or this Bond Indenture, and which shall not materially adversely affect the interests of the Holders of the Bonds;

(3) To maintain the exclusion from gross income for federal income tax purposes of interest payable with respect to the Bonds;

(4) To make any modification or amendment to the Loan Agreement which will be effective upon the remarketing of Bonds following the mandatory tender of the Bonds pursuant to Section 4.11;

(5) To make any modification or amendment to the Loan Agreement but only if the Holders of the Bonds are given at least 30 days' notice of the applicable supplemental Loan Agreement and have the right to tender their Bonds for purchase pursuant to this Bond Indenture prior to the effectiveness of such supplemental Loan Agreement; or

(6) To make any other change that does not materially adversely affect the interests of the Holders of the Bonds.

Notwithstanding the foregoing, the Authority shall not be required to enter into any amendment or modification that affects the Authority Reserved Rights (as defined in the Loan Agreement) or other rights of the Authority that are not pledged hereunder and, further, the Authority and the Corporation may enter into any amendments to the Loan Agreement to amend provisions relating to the Authority Reserved Rights without the consent of the Bond Trustee, any of the Holders, any Credit Provider or any Liquidity Provider.

(d) The Tax Agreement may be amended or modified without the consent of or notice to the Holders upon notice of such amendment to any Index Rate Holder, any Liquidity Provider and any Credit Provider and compliance with the applicable provisions of the Tax Agreement.

(e) The Bond Trustee shall promptly collect all amounts due from the Corporation pursuant to the Loan Agreement and the Obligation, shall perform all duties imposed upon it pursuant to the Loan Agreement, any Liquidity Facility and/or any related Liquidity Facility Agreement, any Credit Facility and/or any related Credit Facility Agreement and the Tax

Agreement, and shall (subject to the provisions of Section 8.03(d)) diligently enforce, and take all steps, actions and proceedings reasonably necessary for the enforcement of all of the rights of the Authority and all of the obligations of the Corporation under the Loan Agreement and the Obligation that are assigned and pledged to the payment and security of the Bonds pursuant to this Bond Indenture.

SECTION 6.08. Waiver of Laws. To the extent permitted by law, (a) the Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Bond Indenture or in the Bonds, and (b) all benefit or advantage of any such law or laws is hereby expressly waived by the Authority.

SECTION 6.09. Further Assurances. The Authority, at the sole expense of the Corporation, will make, execute and deliver any and all such further indentures, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Bond Indenture and for the better assuring and confirming unto the Holders of the Bonds all of the rights and benefits provided in this Bond Indenture.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF HOLDERS

SECTION 7.01. Events of Default. The following events shall be Events of Default:

- (a) Default in the due and punctual payment of any Required Bond Payment;
- (b) Default by the Authority in the observance of any of the other covenants, agreements or conditions on its part contained in this Bond Indenture or the Bonds, other than as referred to in Section 7.01(a), if such default shall have continued for a period of 60 days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority and the Corporation by the Bond Trustee, or to the Authority, the Corporation and the Bond Trustee by the Holders of more than 50% in aggregate principal amount of the Bonds at the time Outstanding; provided, however, that such default by the Authority shall not constitute an Event of Default hereunder unless the Corporation shall have first been given written notice by the Bond Trustee of such default by the Authority and the Corporation shall have failed to cure such default on behalf of the Authority within 60 days after written notice thereof to the Corporation (or, if such default cannot reasonably be cured within such 60 day period, such longer period as shall be reasonably required by the Corporation in order to cure such default);
- (c) A Loan Default Event shall have occurred and shall not have been remedied or waived; or
- (d) During any Index Rate Period, including any time there shall be any Unremarketed Bonds, receipt by the Bond Trustee of written notice from the Index Rate Holder stating that an "Event of Default" (as defined in the Index Rate Agreement) has occurred and is continuing under the Index Rate Agreement.

The Bond Trustee shall, as soon as is practicable, but in any event within five days, send notice to the CHI Trustee, the Authority, the Corporation, any Index Rate Holder, any Credit Provider and any Liquidity Provider of the occurrence of any Event of Default of which the Bond Trustee has actual knowledge; provided, that the Bond Trustee shall be deemed to have actual knowledge of any Event of Default under Section 7.01(a) on the day of any such Event of Default.

SECTION 7.02. Acceleration of Maturities; Other Remedies.

(a) Upon the occurrence and during the continuation of any Event of Default (other than an Event of Default under Section 7.01(b)), the Bond Trustee may, in its discretion, and shall, at the written direction of the Holders of more than 50% in aggregate principal amount of the Bonds at the time Outstanding, by written notice to the Authority, any Credit Provider, any Liquidity Provider and the Corporation, declare the principal of the Bonds then Outstanding to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Bond Indenture or in the Bonds to the contrary notwithstanding. Upon any declaration of acceleration of any Bonds secured by a Credit Facility constituting a letter of credit, the Bond Trustee shall immediately draw upon the Credit Facility to pay the Bonds in an amount equal to the total principal amount of all such Bonds, plus all interest accrued thereon to the date determined in accordance with this Section 7.02(a) and shall immediately apply the proceeds of such drawing to the payment of the Bonds so accelerated.

(b) Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any final judgment or decree in any suit, action or other proceeding instituted for the payment of the moneys due shall have been obtained or entered, the Authority or the Corporation shall deposit with the Bond Trustee a sum sufficient to pay all Required Bond Payments, the payment of which is overdue, with interest on the overdue principal portion of such Required Bond Payments at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Bond Trustee, and any and all other defaults known to the Bond Trustee (other than in the payment of Required Bond Payments due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Bond Trustee or provision deemed by the Bond Trustee to be adequate shall have been made therefor, then, and in every such case, the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding, by written notice to the Authority, any Credit Provider, any Liquidity Provider, the Corporation and the Bond Trustee, or the Bond Trustee may, on behalf of the Holders of all of the Bonds, rescind and annul such declaration and its consequences and waive such default, but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon. Notwithstanding anything herein to the contrary, while a Credit Facility is in effect, no declaration of acceleration of the Bonds shall be annulled unless the Credit Facility shall have been reinstated in full.

(c) Upon the occurrence and during the continuation of an Event of Default, upon being indemnified as provided in Section 8.03(d) below, the Bond Trustee may, and upon the written direction of the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding shall, take whatever action at law or in equity it deems, or such Holders deem,

necessary or desirable (1) to collect any amounts then due under this Bond Indenture, such Bonds, the Loan Agreement or the Obligation, (2) to enforce performance of any obligation, agreement or covenant of the Authority under this Bond Indenture or the Bonds or of the Corporation under the Loan Agreement, the Tax Agreement, or the Obligation, or (3) to otherwise enforce any of its rights.

(d) In the event that the CHI Trustee has accelerated the Obligation and is pursuing its available remedies under the Capital Obligation Document, the Bond Trustee, without waiving any Event of Default under this Bond Indenture, agrees not to pursue its available remedies under this Bond Indenture or the Loan Agreement in a manner that would hinder or frustrate the pursuit by the CHI Trustee of its remedies under the Capital Obligation Document; provided, however, that the Bond Trustee may take any action permitted to be taken by an Obligation holder under the Capital Obligation Document.

(e) Notwithstanding the foregoing or any other provision of this Bond Indenture or the Capital Obligation Document, the right of the Bond Trustee to receive payment of the Obligation on and after the due date expressed in the Obligation, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the CHI Trustee.

SECTION 7.03. Application of Revenues and Other Funds After Default. If an Event of Default shall occur and be continuing, all Revenues and any other funds then held or thereafter received by the Bond Trustee under any of the provisions of this Bond Indenture (subject to Section 11.10 and except for moneys on deposit in the Bond Fund and the Purchase Fund and the accounts therein but otherwise without regard to the fund or account to which the same is deposited or credited) shall be applied by the Bond Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Bond Trustee to protect the interests of the Holders of the Bonds and payment of reasonable fees, charges and expenses of the Bond Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Bond Indenture;

(b) To the payment of the Required Bond Payments with respect to the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof, if fully paid), subject to the provisions of this Bond Indenture, as follows:

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

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

Second: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due and payable, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds from the respective dates upon which such Bonds became due and payable, and, if the amount available shall not be sufficient to pay in full all the principal or Redemption Price of the Bonds due on any date, together with such interest, then to the payment first of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal or Redemption Price, ratably, according to the amounts of principal or Redemption Price due on such date to the persons entitled thereto, without any discrimination or preference, except as to any difference in the respective rates of interest specified in the Bonds; and

Third: To the payment of the interest on and the principal or Redemption Price of the Bonds, the purchase and retirement of the Bonds and to the redemption of the Bonds, all in accordance with the provisions of this Bond Indenture (other than Section 4.03).

(2) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, 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 the Bonds;

(3) To the payment of any amounts due to the Authority under this Bond Indenture or the Loan Agreement;

(4) To the payment of any amounts due to (A) any Index Rate Holder under any Index Rate Agreement, (B) any Liquidity Provider under any Liquidity Agreement, and (C) any Credit Provider under any Credit Agreement; and

(5) Notwithstanding anything to herein to the contrary, in no event shall the Bond Trustee or the Authority be entitled to payment of its fees or expenses from any amounts held hereunder that constitute remarketing proceeds, proceeds of a drawing upon a Credit Facility or a Liquidity Facility or any moneys held under the Purchase Fund.

SECTION 7.04. Bond Trustee to Represent Holders. The Bond Trustee is hereby irrevocably appointed (and the successive respective Holders of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Bond Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such

Holders under the provisions of the Bonds, this Bond Indenture, the Loan Agreement, the Obligation, the Act and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Bond Trustee to represent the Holders, the Bond Trustee in its discretion may, and upon the written request of the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its reasonable satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Holders of the Bonds by such appropriate action, suit, mandamus or other proceedings as it or the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Bond Trustee or the Holders of the Bonds under this Bond Indenture, the Loan Agreement, the Obligation, the Act or any other law; and the Bond Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and other assets pledged under this Bond Indenture or the Bonds. If more than one such request is received by the Bond Trustee from Holders, the Bond Trustee shall follow the written request executed by the Holders of the greater percentage of Bonds then Outstanding in excess of 50%. All rights of action under this Bond Indenture or the Bonds or otherwise may be prosecuted and enforced by the Bond Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Bond Trustee shall be brought in the name of the Bond Trustee for the equal and ratable benefit and protection of all the Holders of such Bonds, subject to the provisions of this Bond Indenture. The Bond Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claim of the Bond Trustee and the Holders of the Bonds allowed in any judicial proceeding relative to the Corporation or the Authority or their respective creditors or property.

SECTION 7.05. Holders' Direction of Proceedings. The Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding, shall be entitled (provided that the Bond Trustee shall have the right to decline to follow any such direction which in the opinion of the Bond Trustee would be unjustly prejudicial to Holders not parties to such direction), by an instrument or concurrent instruments in writing executed and delivered to the Bond Trustee, to control and direct the enforcement of all rights and remedies granted to the Holders or the Bond Trustee for the benefit of the Holders under this Bond Indenture, including, without limitation, (a) the right to accelerate the principal of the Bonds as described in this Bond Indenture, and (b) the right to annul any declaration of acceleration.

SECTION 7.06. Limitation on Holders' Right to Sue. No Holder of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Bond Indenture, the Loan Agreement, the Obligation, the Act or any other applicable law with respect to such Bond unless (a) such Holder previously shall have given to the Bond Trustee written notice of the occurrence of an Event of Default; (b) the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding shall have made a written request upon the Bond Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Holders shall have tendered to the Bond Trustee indemnity satisfactory to the Bond Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d)

the Bond Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Bond Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy hereunder or under law, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Bond Indenture or the rights of any other Holders of Bonds, or to enforce any right under this Bond Indenture, the Loan Agreement, the Obligation, the Act or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit and protection of all Holders of the Outstanding Bonds, subject to the provisions of this Bond Indenture.

SECTION 7.07. Absolute Obligation of the Authority. Nothing in Section 7.06, in any other provision of this Bond Indenture or in the Bonds shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay Required Bond Payments to the respective Holders of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor and available, or affect or impair the right of such Holders, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

SECTION 7.08. Termination of Proceedings. In case any proceedings taken by the Bond Trustee or any one or more Holders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee or the Holders, then in every such case the Authority, the Bond Trustee and the Holders, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the Authority, the Bond Trustee and the Holders shall continue as though no such proceedings had been taken.

SECTION 7.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bond Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

SECTION 7.10. No Waiver of Default. No delay or omission by the Bond Trustee or by any Holder of the Bonds or Credit Provider to exercise any right or power arising upon the occurrence of 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 Bond Indenture to the Bond Trustee or to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient.

SECTION 7.11. Rights of the Credit Provider. Notwithstanding any other provision of this Article VII, in the event that all Outstanding Bonds are secured by a Credit

Facility, the exercise or direction of all remedies granted under this Article VII and the granting of any waivers pursuant to Section 7.02(b) hereof shall be subject to the direction or prior written consent of the related Credit Provider. The Bond Trustee, in its exercise of the rights of the Authority under the Loan Agreement assigned to the Bond Trustee, in the event that all Bonds are secured by a Credit Facility, shall, subject to the provisions of Section 11.17 hereof, be subject to the direction of the Credit Provider. In the event that any Outstanding Bonds are secured by a Credit Facility, the related Credit Provider shall be treated as the Holder of all Bonds secured by such Credit Facility, for purposes of obtaining directions, consents, waivers or other actions from the Holders of such Bonds so secured by the Credit Facility. In no event may the Bond Trustee accelerate the Bonds secured by such Credit Facility without the prior written consent of the related Credit Provider, so long as the Credit Facility is in full force and effect and the Credit Provider has not defaulted thereunder. The Bond Trustee shall provide any Credit Provider hereunder with copies of all notices required by the Bond Indenture to be delivered to the Holders. This Section will be of no force and effect if any of the conditions set forth in Section 11.17(a), Section 11.17(b), Section 11.17(c), Section 11.17(d) or Section 11.17(e) has occurred and is continuing.

ARTICLE VIII

THE BOND TRUSTEE

SECTION 8.01. Duties, Immunities and Liabilities of Bond Trustee.

(a) The Bond Trustee shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Bond Indenture. The Bond Trustee shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by this Bond Indenture and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances then prevailing in the conduct of such person's own affairs.

(b) The Authority may remove the Bond Trustee at any time by giving written notice to the Bond Trustee of such removal. In addition, the Authority shall remove the Bond Trustee by written notice to the Bond Trustee of such removal in any of the following events: (1) upon the Request of the Corporation unless an Event of Default shall have occurred and then be continuing, (2) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing), (3) if at any time the Bond Trustee shall: (A) cease to be eligible in accordance with Section 8.01(e), (B) become incapable of acting or (C) be adjudged a bankrupt or insolvent, (4) if a receiver of the Bond Trustee or its property shall be appointed or (5) if any public officer shall take control or charge of the Bond Trustee or its property or affairs for the purpose of rehabilitation, conservation or liquidation. Upon any removal of the Bond Trustee described in this Section 8.01(b), the Authority shall appoint, at the prior written direction of the Corporation (unless an Event of Default shall have occurred and then be continuing), a successor trustee by an instrument in writing. The Bond Trustee shall not be relieved of its duties until such successor trustee has accepted appointment.

(c) The Bond Trustee may at any time resign by giving 30 days' written notice of such resignation to the Authority, the Corporation, any Credit Provider and any Liquidity Provider and by giving the Holders notice of such resignation by Electronic Notice, confirmed by first-class mail, at their addresses appearing on the registration books maintained by the Bond Trustee. Upon receiving such notice of resignation, the Authority, at the prior written direction of the Corporation (so long as the Corporation is not in default under the Loan Agreement), and with the prior written consent of any Credit Provider and any Liquidity Provider (which consent shall not be unreasonably withheld), shall promptly appoint a successor trustee by an instrument in writing. The Bond Trustee shall not be relieved of its duties until such successor trustee has accepted appointment.

(d) Any removal or resignation of the Bond Trustee and appointment of a successor trustee shall become effective upon acceptance of appointment by the successor trustee. If no successor trustee shall have been appointed and have accepted appointment within 45 days of giving notice of removal or notice of resignation as aforesaid, the resigning Bond Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor trustee. Any successor trustee appointed under this Bond Indenture shall signify its acceptance of such appointment by executing and delivering to the Authority, the Corporation and to the predecessor Bond Trustee a written acceptance thereof, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Bond Trustee, with like effect as if originally named Bond Trustee herein; provided that, at the direction of the Authority, the Corporation or the successor trustee, such predecessor Bond Trustee shall (1) execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of such predecessor Bond Trustee in and to any property held by it under this Bond Indenture, (2) shall pay over, transfer, assign and deliver to the successor trustee any money or other property subject to the trusts and conditions herein set forth, and (3) transfer any Liquidity Facility or Credit Facility to the successor Bond Trustee in accordance with the terms hereof and thereof. Upon request of the successor trustee, the Authority shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor trustee as provided in this subsection, the successor Bond Trustee, at the expense of the Corporation, shall mail to each Rating Agency which is then rating the Bonds and to the Holders of all Outstanding Bonds at their addresses appearing on the registration books maintained by the Bond Trustee notice of the succession of such trustee to the trusts hereunder and shall furnish a copy of each such notice to the Authority, the Corporation, the Tender Agent, the Remarketing Agent, the Index Agent, any Credit Provider and any Liquidity Provider.

(e) Any trustee appointed under the provisions of this Section as the successor Bond Trustee shall be a trust company or bank having the powers of a trust company having a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000) and shall be subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any

supervising or examining authority above referred to, then, for the purposes of this subsection, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Bond Trustee or any successor trustee shall cease to be eligible in accordance with the provisions of this Section 8.01(e), the Bond Trustee shall resign immediately in the manner and with the effect specified in this Section.

SECTION 8.02. Merger or Consolidation. Any Person into which the Bond Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which it shall be a party, or any Person to which the Bond Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under Section 8.01(e), shall be the successor Bond Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. Upon any such merger or consolidation, the successor Bond Trustee shall notify the Authority, the Corporation, any Credit Provider and any Liquidity Provider and shall thereafter give Electronic Notice, confirmed by first-class mail, to the Holders of all Outstanding Bonds, at their addresses appearing on the bond registration books maintained by the Bond Trustee, notice of the succession of such trustee to the trusts hereunder.

SECTION 8.03. Liability of Bond Trustee.

(a) The recitals of facts herein and in the Bonds shall be taken as statements of the Authority, and the Bond Trustee assumes no responsibility for the correctness of the same and makes no representations as to the validity, enforceability or sufficiency of this Bond Indenture or of the Bonds and shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Bond Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Bond Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Bond Trustee may become the Holder of Bonds with the same rights it would have if it were not Bond Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Holders, whether or not such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

(b) The Bond Trustee shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Bond Trustee was negligent in ascertaining the pertinent facts or that the Bond Trustee acted in bad faith or with willful misconduct.

(c) The Bond Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of more than 50% in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Bond Trustee, or exercising any trust or power conferred upon the Bond Trustee under this Bond Indenture.

(d) The Bond Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Bond Indenture or at the request, order or direction of any of the Holders pursuant to the provisions of this Bond Indenture (other than a mandatory purchase pursuant to Section 4.11, Liquidity Facility Requests, and draws under any Credit Facility or acceleration of the Bonds) unless such Holders shall have offered to the Bond Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby. The permissive right of the Bond Trustee to do things enumerated in this Bond Indenture shall not be construed as a duty, and the Bond Trustee shall not be answerable for other than its negligence or willful misconduct.

(e) Neither the Bond Trustee nor the Tender Agent shall be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or the rights and powers conferred upon it by this Bond Indenture unless it shall be proved that the Bond Trustee or the Tender Agent was negligent or acted with willful misconduct in taking such action.

(f) Neither the Bond Trustee nor the Tender Agent shall be deemed to have knowledge of any Loan Default Event or any Event of Default hereunder, except for failure by the Corporation to make Loan Repayments or Required Liquidity Payments as required by the Loan Agreement, unless and until it shall have actual knowledge thereof, or shall have received written notice thereof, at its Corporate Trust Office. Except as otherwise expressly provided herein, the Bond Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or in the Loan Agreement, or as to the existence of an Event of Default except for failure by the Corporation to make Loan Repayments or Required Liquidity Payments as required by the Loan Agreement.

(g) The Bond Trustee shall not be bound to ascertain or inquire as to the validity or genuineness of any collateral given to or held by it.

(h) The Bond Trustee shall not be concerned with or accountable to anyone for the use or application of any moneys that shall be released or withdrawn in accordance with the provisions hereof.

(i) The Bond Trustee, at the expense of the Corporation, shall file or cause to be filed financing statements necessary to continue the perfection of the security interests securing the Bonds which were filed at the time of the issuance of the Bonds and to which the Bond Trustee is a secured party, in such manner and in such places as the initial filings were made, provided that copies of the filed original financing statements are timely delivered to the Bond Trustee. The Bond Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings.

(j) Before the Bond Trustee acts or refrains from acting, it may require an officer's certificate or an opinion of counsel. The Bond Trustee shall not be liable for any action it takes or refrains from taking in good faith reliance on such certificate or opinion.

(k) Any action taken, or omitted to be taken, by the Bond Trustee in good faith pursuant to the Bond Indenture upon the request, authority, or consent of any person who, at the time of making such request or giving such authority or consent, is the Holder of any Bond shall be conclusive and binding upon all future Holders of Bonds and upon Bonds executed and delivered in exchange therefore or in place thereof.

(l) Under no circumstances shall the Bond Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

SECTION 8.04. Right of Bond Trustee and the Tender Agent to Rely on Documents. The Bond Trustee and the Tender Agent shall be protected in acting upon any notice, resolution, requisition, 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. The Bond Trustee shall be under no duty to make any investigation as to any statement contained in any such instance, but may accept the same as conclusive evidence of the truth and accuracy of such statement or the correctness of such opinions. The Bond Trustee and the Tender Agent may consult with counsel, who may be counsel to the Authority or the Corporation, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Bond Indenture the Bond Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof is specifically prescribed hereby) may be deemed to be conclusively proved and established by a Certificate of the Authority or a Certificate of the Corporation, and such Certificate shall be full warrant to the Bond Trustee for any action taken or suffered in good faith under the provisions of this Bond Indenture in reliance upon such Certificate, but in its discretion the Bond Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

SECTION 8.05. Preservation and Inspection of Documents. All documents received or generated by the Bond Trustee under the provisions of this Bond Indenture regarding the use of bond proceeds and investments thereof (including but not limited to any rebate calculation and payments) shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the Corporation, any Credit Provider, any Liquidity Provider and any Holder, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions for four (4) years following defeasance or payment in full of the Bonds or any bonds issued to refund the Bonds in whole or in part.

SECTION 8.06. Compensation and Indemnification. The Authority shall cause to be paid (solely from Additional Payments provided by the Corporation for such purposes) to the Bond Trustee and the Tender Agent reasonable compensation for all services rendered under this Bond Indenture and also all reasonable expenses, charges, legal and consulting fees and other disbursements, and those of its attorneys, agents and employees which are incurred in and about the performance of its powers and duties under this Bond Indenture. The Corporation has covenanted and agreed to indemnify the Bond Trustee and its officers, directors, employees and

agents in accordance with Section 5.5 of the Loan Agreement. Such obligations of the Corporation under Section 5.5 of the Loan Agreement shall survive the resignation or removal of the Bond Trustee, the payment of the Bonds and the discharge of this Bond Indenture.

No provision of this Bond Indenture shall require the Bond Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

SECTION 8.07. Notice to Certain Parties. The Bond Trustee shall give written notice pursuant to Section 8.01(d) to any Rating Agency then rating the Bonds in the event of any acceleration of the Bonds, if a successor Bond Trustee, Tender Agent, Index Agent or Remarketing Agent is appointed, or if this Bond Indenture, the Loan Agreement, any Remarketing Agreement, any Liquidity Facility, any Liquidity Facility Agreement, any Credit Facility or any Credit Facility Agreement is amended or supplemented in any material manner, or if any of the Bonds are defeased pursuant to Section 10.01, or if any of the Bonds are redeemed pursuant to this Bond Indenture (other than Mandatory Sinking Account redemption pursuant to Section 4.01(j)), or if any Liquidity Facility or Credit Facility is delivered, terminated, expired or renewed, or if any of the Bonds are subject to mandatory tender pursuant to Section 4.11(a), or if the Bonds are converted from one Interest Rate Mode to another Interest Rate Mode or if there is any cancellation of any such conversion.

Further, the Bond Trustee shall give notice to any Remarketing Agent or Auction Agent of any material amendment or supplement to this Bond Indenture or the Loan Agreement.

SECTION 8.08. Employment of Experts. The Bond Trustee is hereby authorized to employ as its agents such attorneys at law, certified public accountants and recognized authorities in their fields (who are not employees of the Bond Trustee) as it reasonably may deem necessary to assist it to carry out any of its obligations hereunder, and shall be reimbursed by the Corporation for all reasonable expenses and charges in so doing. The Bond Trustee shall not be responsible for the negligence or willful misconduct of any agent appointed by the Bond Trustee with due care.

SECTION 8.09. Not Responsible for Closing Conditions. The Bond Trustee shall have no responsibility for or liability in connection with assuring that all of the procedures or conditions to closing set forth in the Index Rate Agreement pursuant to which the Bonds are sold to the initial Index Rate Holder have been met on the Date of Issue or that all documents required to be delivered to the parties on the Date of Issue are actually delivered, except its own responsibility to receive the proceeds of the sale of the Bonds and to deliver the Bonds and other certificates expressly required to be delivered by it and its counsel.

SECTION 8.10. No Liability for Acts of CHI Trustee. The Bond Trustee shall not be personally liable by reason of any act or omission of the CHI Trustee, nor will the act or omission of the CHI Trustee be imputed to the Bond Trustee. Anything herein to the contrary notwithstanding, whenever it is provided that the Bond Trustee shall take any action, including the giving of any notice, or refraining from taking any action upon the happening or continuation of a specified event or upon the fulfillment of any condition or upon the request of the Holders, the Bond Trustee shall have no liability for failure to take such action or for failure to refrain

from taking such action if by the terms of the Capital Obligation Document, the Supplement or the Obligation, or because of the failure to act or refrain from action on the part of the CHI Trustee, it is unable to take such action or to refrain from taking such action.

ARTICLE IX

MODIFICATION OR AMENDMENT OF BOND INDENTURE

SECTION 9.01. Amendments Permitted.

(a) This Bond Indenture and the rights and obligations of the Authority, the Holders of the Bonds and the Bond Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Authority and the Bond Trustee may enter into when there shall have been filed with the Bond Trustee the consent of the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding; provided, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any particular maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of calculation of Bonds Outstanding under this Section; and provided further, that if such modification or amendment will, by its terms, directly affect the rights of the Holders of Bonds of one or more, but less than all, of the Bonds, then the consent only of the Holders of more than 50% in aggregate principal amount of the Bonds then Outstanding so directly affected (considered as one class) shall be required. No such modification or amendment shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or extend the time of payment or reduce the amount of any Mandatory Sinking Account Payment required by this Bond Indenture for the payment of any Bond, or reduce the rate of interest on any Bond, or extend the time of payment of interest thereon, or change the transferability provisions with respect to the Bonds, without the consent of any Credit Provider and the Holder of each Bond so affected, or (2) reduce the percentage of Bonds the consent of any Credit Provider and the Holders of which is required to effect any such modification or amendment, or (3) permit the creation of any lien on the Revenues and other assets pledged under this Bond Indenture prior to or on a parity with the lien created by this Bond Indenture, or deprive any Credit Provider and the Holders of the Bonds of the lien created by this Bond Indenture on such Revenues and other assets (except as expressly provided in this Bond Indenture), without the consent of any Credit Provider and the Holders of all of the Bonds then Outstanding. Notwithstanding the foregoing, the rights of the Credit Provider set forth in this Section 9.01(a) will be of no force and effect if any of the conditions set forth in Section 11.17(a), Section 11.17(b), Section 11.17(c), Section 11.17(d) or Section 11.17(e) has occurred and is continuing.

It shall not be necessary for the consent of the Holders to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

If at any time the Authority or the Corporation shall request the Bond Trustee to enter into any supplement or amendment to this Bond Indenture for any of the purposes of this Section 9.01(a), the Bond Trustee shall, at the expense of the Corporation, cause notice of the proposed execution of such supplement or amendment to be delivered by Electronic Notice, confirmed by

first-class mail, postage prepaid, to all Holders of record whose consent is required pursuant to this Section for the effectiveness of the proposed supplement or amendment at their addresses appearing on the registration books maintained by the Bond Trustee. Such notice shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the Corporate Trust Office of the Bond Trustee for inspection by all Holders.

Whenever, at any time within one year after the date of the delivery of such notice, the Authority or the Corporation shall deliver to the Bond Trustee (1) an instrument or instruments in writing purporting to be executed by the Holders whose consent is required pursuant to this Section for the effectiveness of the proposed supplement or amendment, which instrument or instruments shall refer to the proposed supplement or amendment described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice, and (2) the written consent of any Credit Provider and any Liquidity Provider to the proposed supplement or amendment, thereupon, but not otherwise, the Bond Trustee may execute such supplement or amendment in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders whose consent is required pursuant to this Section 9.01(a) for the effectiveness of the proposed supplement or amendment, at the time of execution of such Supplemental Indenture shall have consented to and approved the execution thereof in accordance with this Section 9.01(a), no Holder of any Bond (other than a Liquidity Provider if such Liquidity Provider shall not have consented in writing to such Supplemental Indenture) shall have any right to object to the execution of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Bond Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

Nothing contained in this Section 9.01(a) shall, or shall be construed to, alter, limit or restrict in any manner or to any extent the rights of the Authority and the Bond Trustee to enter into an indenture or indentures supplemental hereto pursuant to and in accordance with Section 9.01(b).

(b) Notwithstanding Section 9.01(a), this Bond Indenture may be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, but without the consent of any Holders, but only for one or more of the following purposes:

(1) To add to the covenants and agreements of the Authority in this Bond Indenture other covenants and agreements thereafter to be observed by the Authority which are not contrary to or inconsistent with this Bond Indenture as then in effect, or to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority if the surrender of such right or power is not contrary to or inconsistent with the covenants and agreements of the Authority contained in this Bond Indenture as then in effect, provided that no such covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Holders of the Bonds;

(2) To make such provisions for the purposes of curing any ambiguity, inconsistency or omission in or from this Bond Indenture, or to cure or correct any defective provision contained in this Bond Indenture, or to add or modify provisions of this Bond Indenture in regard to matters or questions arising under this Bond Indenture, as the Authority or the Corporation may deem necessary or desirable and as are not contrary to or inconsistent with this Bond Indenture as then in effect, and which shall not materially adversely affect the interests of the Holders of the Bonds;

(3) To modify, amend or supplement this Bond Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which, in the Opinion of Bond Counsel (addressed to the Bond Trustee and the Authority) or in reliance on a report of a Consultant, shall not materially adversely affect the interests of the Holders of the Bonds;

(4) To provide for the issuance of coupon Bonds, if at such time federal law shall permit the issuance of coupon Bonds; provided that prior to such issuance the Authority shall have obtained the Opinion of Bond Counsel (addressed to the Bond Trustee and the Authority) to the effect that such issuance will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled;

(5) To preserve the status of the interest on the Bonds (or any of them) as excluded from gross income of the Holders for purposes of federal income taxation;

(6) To provide for or facilitate the delivery of a Liquidity Facility and/or a Credit Facility and the acceptance thereof by the Tender Agent and/or the Bond Trustee, as applicable, pursuant to Section 4.17 of this Bond Indenture so long as the applicable Supplemental Indenture does not and cannot, by its terms, become effective prior to such acceptance;

(7) To make any modification or amendment to the Bond Indenture which will be effective upon the remarketing of Bonds following the mandatory tender of the Bonds pursuant to Section 4.11;

(8) To conform to the terms and provisions of any Liquidity Facility or any Credit Facility (provided that any conforming change does not materially adversely affect the rights or interests of the Holders of the Bonds);

(9) To make any modification or amendment to the Bond Indenture, but only if the Holders of the Bonds are given at least 30 days' notice of the applicable Supplemental Indenture and have the right to tender their Bonds for purchase pursuant to this Bond Indenture prior to the effectiveness of such Supplemental Indenture; or

(10) To make any other change that, in the Opinion of Bond Counsel or in reliance on a report of a Consultant, shall not materially adversely affect the rights or the interests of the Holders of the Bonds.

The Bond Trustee or the Authority may consult with counsel, who may be counsel to the Authority or the Corporation, or Bond Counsel, prior to entering into any Supplemental Indenture pursuant to this subsection (b), and the opinion(s) of such counsel shall be full and complete authorization and protection in respect of the execution and delivery by the Bond Trustee of any such Supplemental Indenture in good faith in accordance therewith.

(c) The Bond Trustee may in its discretion, but shall not be obligated to, enter into a Supplemental Indenture authorized by this Section which adversely affects the Bond Trustee's own rights, duties or immunities under this Bond Indenture or otherwise.

(d) Anything herein to the contrary notwithstanding, no such Supplemental Indenture shall become effective unless and until the Corporation shall have consented thereto in writing, and no Supplemental Indenture which changes in any material respect the duties and responsibilities of the Tender Agent or which adversely affects the rights or immunities of the Tender Agent shall become effective unless and until the Tender Agent shall have consented thereto in writing.

SECTION 9.02. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article, this Bond Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Bond Indenture of the Authority, the Bond Trustee, the Tender Agent and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modification and amendment, and all the terms and conditions of such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Bond Indenture for any and all purposes.

SECTION 9.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Bond Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Bond Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, a suitable notation shall be made on any Bond at the request of the Holder thereof upon the presentation of such Bond for such purpose at the Corporate Trust Office of the Bond Trustee or at such additional offices as the Bond Trustee may select and designate for that purpose. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Bond Trustee, to any modification or amendment contained in such Supplemental Indenture shall be prepared and executed by the Authority and authenticated by the Bond Trustee and shall be exchanged at the Corporate Trust Office of the Bond Trustee for the Bonds then Outstanding, without cost to the Holders, upon surrender of such Bonds for cancellation.

SECTION 9.04. Amendment of Particular Bonds. The provisions of this Article shall not prevent any Holder from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

ARTICLE X

DEFEASANCE

SECTION 10.01. Discharge of Bond Indenture. Bonds may be paid or caused to be paid by the Authority in any of the following ways, provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority and related to such Bonds:

(a) By paying or causing to be paid the Required Bond Payments on Outstanding Bonds, as and when the same become due and payable;

(b) By depositing with the Bond Trustee, in trust, at or before maturity, money or Defeasance Securities in the amount necessary (as provided in Section 10.03), in the opinion of an Accountant, or other professional or firm experienced in the preparation of verification reports, delivered to the Bond Trustee, to pay or redeem Outstanding Bonds, all as more fully described in Section 10.03, and, in the case of Bonds subject to purchase prior to the maturity date or an earlier redemption date, as applicable, to provide for the payment of the Purchase Price on any potential Purchase Date prior to the maturity date or earlier redemption of such Bonds, as applicable; or

(c) By delivering to the Bond Trustee, for cancellation by it, Outstanding Bonds.

While a Credit Facility is in effect, payments required pursuant to Section 10.01(a) and moneys deposited or Defeasance Securities purchased pursuant to Section 10.01(b) shall be made or purchased, as applicable, with Available Moneys.

In connection with any defeasance pursuant to Section 10.01(b), the Corporation shall deliver to the Bond Trustee and the Authority an Opinion of Bond Counsel to the effect that (i) the applicable Bonds have been defeased in accordance with the provisions of Section 10.01(b), and (ii) such defeasance will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled.

If the Authority shall pay or cause to be paid all Outstanding Bonds and shall also pay or cause to be paid all other sums payable hereunder by the Authority, and notwithstanding that any Bonds shall not have been surrendered for payment, this Bond Indenture and the pledge of Revenues and other assets made under this Bond Indenture and all covenants, agreements and other obligations of the Authority under this Bond Indenture shall cease, terminate, become void and be completely discharged and satisfied, except with respect to the transfer or exchange of Bonds provided for herein or therein, the Required Bond Payments and the obligations of the Authority under Section 6.06 and Section 8.06; provided, however, that (1) if the obligations under this Bond Indenture are to be discharged while Bonds bear interest at a Variable Rate, then, as a condition to such discharge, the Bond Trustee shall have received written confirmation from each Rating Agency then providing a short-term rating on the Bonds that such discharge will not result in a reduction or withdrawal or suspension of the short-term rating then assigned to the Bonds by such Rating Agency; (2) if the obligations under this Bond Indenture are to be discharged when any Bond is a Bank Bond, then, as a condition to such discharge, the Bond Trustee shall have received the written consent of any Liquidity Provider and any Credit

Provider to such discharge; and (3) if the obligations under this Bond Indenture are to be discharged while the Bonds are Index Rate Bonds, the Bond Trustee shall have received a Certificate of the Index Rate Holder stating that all amounts due and owing under the Index Rate Agreement shall have been paid or otherwise provided for to the satisfaction of the Index Rate Holder. In such event, upon the direction of the Authority, the Bond Trustee shall provide trust statements for such period or periods as may be requested by the Authority to be prepared and filed with the Authority and shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Bond Trustee shall pay over, transfer, assign or deliver all moneys or securities or other property held by it pursuant to this Bond Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption (1) to any Liquidity Provider and/or any Credit Provider to the extent of any amounts due and owing under the Liquidity Facility or the related Liquidity Facility Agreement or the Credit Facility or the related Credit Facility Agreement, as applicable, and (2) otherwise to the Corporation. The release of the obligations of the Authority hereunder shall be without prejudice to the right of the Bond Trustee to be paid reasonable compensation (but only from Additional Payments) for all services rendered hereunder by it and all reasonable expenses, charges and other disbursements (but only from Additional Payments) incurred on or about the administration of the trust hereby created and the performance of its duties hereunder.

If this Bond Indenture is to be discharged while the Bonds bear interest at a Variable Rate, and the Bonds will not be redeemed on the date of discharge of this Bond Indenture (the "Defeasance Date"), the Bond Trustee shall give notice to the Holders of the Bonds (at their addresses as they appear on the registration books of the Bond Trustee as of the date of such notice), by Electronic Notice, confirmed by first-class mail, of the proposed discharge of the Bond Indenture at least 10 days prior to such Defeasance Date. Such notice shall state that the Tender Agent has received written evidence from each Rating Agency then having a short-term rating assigned to the Bonds that the discharge of this Bond Indenture on the Defeasance Date will not, in and of itself, result in a reduction, suspension or withdrawal by such Rating Agency of the short-term rating then assigned by such Rating Agency to the Bonds. If no Liquidity Facility is in effect with respect to such Bonds for the purchase of such Bonds on and after the Defeasance Date, the notice shall so state, and shall describe the obligations of the Corporation, if any, or other sources of moneys then available to purchase or provide funds, for the purchase of Bonds upon optional or mandatory tender thereof as permitted by this Bond Indenture.

Any notice of the defeasance or redemption provided to Holders must specify whether any other redemption rights with respect to the Bonds have been retained by the Corporation.

Notwithstanding the foregoing, moneys in the Liquidity Account shall in all cases be transferred to the Liquidity Provider and money in the Remarketing Account shall be retained by the Bond Trustee under this Bond Indenture until all related Bonds have been retired, after which such funds may be paid over to the Corporation.

SECTION 10.02. Effect of Defeasance. Upon the deposit with the Bond Trustee, in trust, at or before maturity, of money or securities in the amount necessary (as provided in Section 10.03) to pay the Required Bond Payments; provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV

provided or provision satisfactory to the Bond Trustee shall have been made for the giving of such notice, this Bond Indenture shall be released and discharged with respect to such Bond. Thereafter the Holder thereof shall be entitled only to the payment of such Bond out of such money or securities deposited with the Bond Trustee as aforesaid for its payment, and provided, further, that the provisions of Section 10.04 shall apply in any event.

The Authority or the Corporation may at any time surrender to the Bond Trustee for cancellation by it any Bonds previously issued and delivered, which the Authority or the Corporation may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

The Bond Trustee shall notify any Liquidity Provider and any Credit Provider of the aggregate principal amount of the Bonds (other than Bank Bonds) to which such Liquidity Provider's Liquidity Facility or such Credit Provider's Credit Facility, as applicable, relates that are paid or deemed paid within the meaning of this Article X on a given date occurring prior to the Expiration Date of such Liquidity Facility or Credit Facility, and shall submit to such Liquidity Provider or such Credit Provider, as applicable, such documents, if any, as are required in accordance with the terms of such Liquidity Facility or Credit Facility to cause the amounts available under such Liquidity Facility or Credit Facility to be reduced in respect of the Bonds so paid or deemed paid, unless such Liquidity Facility or Credit Facility by its terms expires on the date of defeasance of applicable Bonds without any necessity for such notice by the Bond Trustee.

SECTION 10.03. Deposit of Money or Securities with Bond Trustee. Whenever in this Bond Indenture it is provided or permitted that there be deposited with or held in trust by the Bond Trustee money or securities in the amount necessary to pay the Required Bond Payments, the money or securities to be so deposited or held may include money or securities held by the Bond Trustee in the funds and accounts established pursuant to this Bond Indenture (exclusive of the Purchase Fund) and shall be:

(a) Lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Bond Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the Redemption Price of such Bonds and all unpaid interest thereon to the redemption date and that, in the case of Bonds that are subject to purchase on any Purchase Date preceding the maturity date or any prior redemption date, the amount to be deposited or held shall provide for the potential payment of any Purchase Price on such Purchase Date; or

(b) Defeasance Securities not subject to call and redemption by the issuer thereof the principal of and interest on which when due will provide money sufficient to pay the principal or Redemption Price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or Redemption Price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Bond Trustee shall have been made for the giving of such notice and that, in

the case of Bonds that are subject to purchase on any Purchase Date preceding the maturity date or any prior redemption date, such Defeasance Securities shall provide moneys sufficient to pay the Purchase Price on such Purchase Date;

provided, in each case, that the Bond Trustee shall have been irrevocably instructed (by the terms of this Bond Indenture or by the Authority at the Request of the Corporation) to apply such money to the payment of such principal or Redemption Price and interest with respect to such Bonds.

SECTION 10.04. Payment of Bonds After Discharge of Bond Indenture.

Notwithstanding any provisions of this Bond Indenture, any moneys held by the Bond Trustee in trust for the payment of Required Bond Payments and remaining unclaimed at the end of the Escheat Period shall, upon the direction of the Corporation, be repaid to the Corporation free from the trusts created by this Bond Indenture, and all liability of the Bond Trustee with respect to such moneys shall thereupon cease. Thereafter, the Holders of the Bonds so payable shall be entitled to look only to the Corporation for payment thereof. If any moneys are held by the Bond Trustee and have remained unclaimed for two years or more, the Bond Trustee may request that the Corporation deliver, at the Corporation's expense, an Opinion of Counsel as to the applicable Escheat Period.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Liability of the Authority Limited to Revenues.

Notwithstanding anything in this Bond Indenture or in the Bonds, the Authority shall not be required to advance any moneys derived from any source other than the Revenues and other assets pledged and available under this Bond Indenture for any of the purposes in this Bond Indenture mentioned, whether for the payment of the Required Bond Payments or for any other purpose of this Bond Indenture.

SECTION 11.02. Successor Is Deemed Included in All References to Predecessor. Whenever in this Bond Indenture either the Authority or the Bond Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Bond Indenture contained by or on behalf of the Authority or the Bond Trustee shall bind and inure to the benefit of the respective successors and assigns thereof, whether so expressed or not.

SECTION 11.03. Limitation of Rights to Parties, the Credit Provider, the Liquidity Provider, the Corporation and Holders. Nothing in this Bond Indenture or in the Bonds, expressed or implied, is intended or shall be construed to confer upon or to give or grant to any person or entity other than the Authority, the Bond Trustee, the Corporation, any Credit Provider, any Liquidity Provider and the Holders of the Bonds any legal or equitable right, remedy or claim under or in respect of this Bond Indenture or the Bonds, or any covenant, condition or provision therein or herein contained, or any stipulation thereof or hereof; and all such covenants, stipulations, conditions and provisions are and shall be held for the sole and

exclusive benefit of the Authority, the Bond Trustee, the Corporation, any Credit Provider, any Liquidity Provider and the Holders of the Bonds.

SECTION 11.04. Waiver of Notice. Whenever in this Bond Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice, and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 11.05. Destruction of Bonds. Whenever in this Bond Indenture provision is made for the cancellation by the Bond Trustee of any Bond, the Bond Trustee shall destroy such Bond in accordance with its customary procedures.

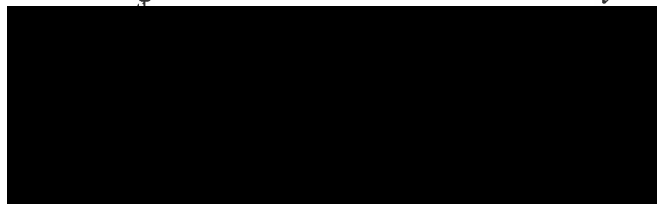
SECTION 11.06. Severability of Invalid Provisions. If any one or more of the provisions contained in this Bond Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Bond Indenture, and such invalidity, illegality or unenforceability shall not affect any other provision of this Bond Indenture, and this Bond Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority and the Bond Trustee each hereby declares that it would have entered into this Bond Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant hereto, irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Bond Indenture may be held illegal, invalid or unenforceable.

SECTION 11.07. Notices.

(a) Unless otherwise expressly specified or permitted by the terms hereof, all notices or other communications required or permitted hereunder shall be deemed sufficiently given or served if delivered by facsimile transmission or Electronic Notice with prompt telephonic or electronic confirmation of receipt, or personally by hand, or sent by nationally recognized overnight courier service, or by certified or registered mail, postage prepaid and return receipt requested, or by being deposited, postage prepaid, in a post office letter box, addressed as follows:

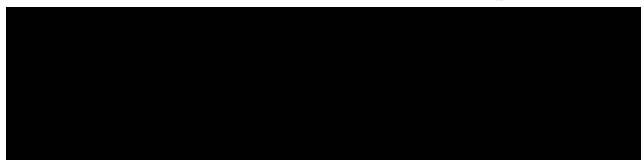
(i) If to the Authority:

Washington Health Care Facilities Authority



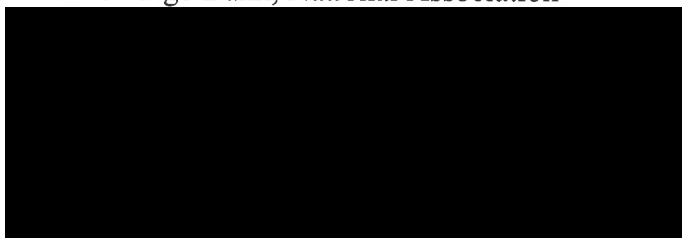
With a copy to:

Hillis Clark Martin & Peterson P.S.



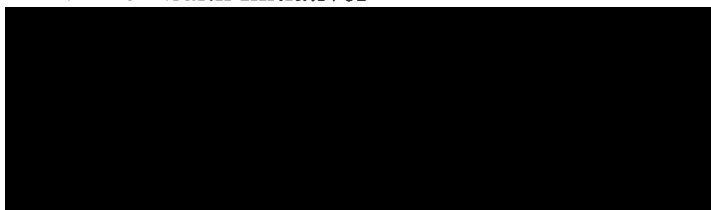
- (ii) If to the Bond Trustee:

Wells Fargo Bank, National Association



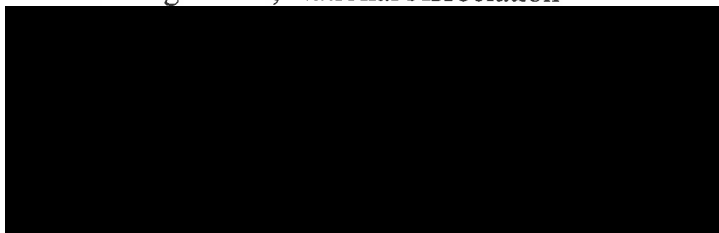
- (iii) If to the Corporation:

Catholic Health Initiatives



- (iv) If to the Tender Agent:

Wells Fargo Bank, National Association



- (v) If to the CHI Trustee:

Wells Fargo Bank, National Association



(vi) If to Rating Agency:

Moody's Investors Service



Standard & Poor's Ratings Service

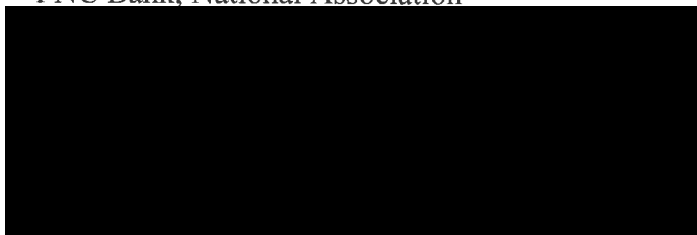


Fitch Ratings Inc.



(vii) If to the Original Purchaser:

PNC Bank, National Association



(viii) If to the Index Agent:

PNC Bank, National Association



(b) Any of the parties listed above may at any time and from time to time by notice in writing to the others designate a different address or addresses for notices under this Bond Indenture.

SECTION 11.08. Evidence of Rights of Holders. Any request, consent or other instrument required or permitted by this Bond Indenture to be signed and executed by Holders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Holders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing

any such agent, shall be sufficient for any purpose of this Bond Indenture and shall be conclusive in favor of the Bond Trustee and of the Authority if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent 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 ownership of the Bonds shall be proved by the registration books held by the Bond Trustee.

Any request, consent, or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Bond Trustee or the Authority in accordance therewith or reliance thereon.

SECTION 11.09. Disqualified Bonds. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Bond Indenture, Bonds which are owned or held by or for the account of the Authority or the Corporation, or by any other obligor on the Bonds or on the Obligation, or by any other member of the CHI Credit Group, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the Corporation, or any other obligor on the Bonds or on the Obligation, or any other member of the CHI Credit Group, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall certify to the Bond Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the Corporation, or any other obligor on the Bonds or on the Obligation, or any other member of the CHI Credit Group. The Bond Trustee may conclusively rely upon the certifications made by such pledgee.

SECTION 11.10. Money Held for Particular Bonds. Money held by the Bond Trustee for the payment of the Required Bond Payments with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04.

SECTION 11.11. Funds and Accounts. Any fund required by this Bond Indenture to be established and maintained by the Bond Trustee may be established and maintained in the records of the Bond Trustee either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with corporate trust industry standards, to the extent practicable, and

with due regard for the requirements of Section 6.05 and for the protection of the security of the Bonds and the rights of every Holder thereof.

SECTION 11.12. Waiver of Personal Liability. No former, current or future member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of Required Bond Payments or be subject to any personal liability or accountability by reason of the issuance thereof, but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Bond Indenture. Notwithstanding anything herein to the contrary, no recourse shall be had for the payment of Required Bond Payments or for any claim based thereon or upon any obligation, covenant or agreement contained in this Bond Indenture against any past, present or future member, officer, agent or employee of the Authority, the State or any agency or political subdivision thereof, either directly or through the Authority, under any rule of law or equity, statute or Constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such members, officers, agents or employees of the Authority, the State or any agency or political subdivision thereof is expressly waived and released as a condition of and in consideration for the execution of this Bond Indenture and the issuance of the Bonds.

SECTION 11.13. Execution in Several Counterparts. This Bond Indenture may be executed in several counterparts, each of which shall be an original and all of which shall together constitute one instrument.

SECTION 11.14. Governing Law. This Bond Indenture shall be construed in accordance with and governed by and interpreted in accordance with the laws of the State, regardless of the location of the Corporate Trust Office or any other office of the Bond Trustee. This Bond Indenture shall be enforceable in the State and any action arising out of this Bond Indenture shall be filed and maintained in the Superior Court of the State in and for the County of Pierce, unless the Authority waives this requirement or except as may otherwise be required to provide jurisdiction or venue over any matter involving real property.

SECTION 11.15. Business Days. Except as herein provided, if any date specified herein shall not be a Business Day, any action required on such date may be made on the next succeeding Business Day with the same effect as if made on such date.

SECTION 11.16. Bond Indenture is a "Security Agreement." This Bond Indenture shall be deemed to be a "security agreement" for the purposes of the Uniform Commercial Code of the State.

SECTION 11.17. Concerning the Liquidity Provider and Credit Provider. Any Liquidity Provider and any Credit Provider are express third-party beneficiary of this Bond Indenture with the power to enforce the provisions hereof against the parties hereto; provided however, any such rights of the Liquidity Provider or the Credit Provider, as applicable, as a third-party beneficiary shall not apply if at any time:

- (a) There are no Bonds outstanding;

(b) The Liquidity Provider or the Credit Provider, as applicable, has wrongly failed to honor a properly presented drawing made under, and in compliance with, its Liquidity Facility or Credit Facility, as applicable;

(c) The Liquidity Provider or the Credit Provider, as applicable, has been declared insolvent or bankrupt by a court of competent jurisdiction, an order or decree shall have been entered by a court of competent jurisdiction appointing a receiver, receivers, custodian or custodians for any of its assets or revenues and such order or decree shall not have been dismissed or stayed for a period of thirty (30) or more days, or any proceeding shall be instituted with the consent or acquiescence of such Liquidity Provider or such Credit Provider, or any plan shall be entered into by such Liquidity Provider or such Credit Provider for the purpose of effecting a composition between such Liquidity Provider or such Credit Provider, as applicable, and its creditors or for the purpose of adjusting the claims of such creditors;

(d) The Liquidity Provider or the Credit Provider, as applicable, makes any assignment for the benefit of its creditors or the Liquidity Provider or the Credit Provider, as applicable, is generally not paying its debts as such debts become due or the Liquidity Provider or the Credit Provider, as applicable, files a petition in bankruptcy or under Title 11 of the United States Code, as amended, or the Liquidity Facility or the Credit Facility, as applicable, have been determined to be void or unenforceable by final judgment of a court of competent jurisdiction; or

(e) The obligations of the Liquidity Provider or the Credit Provider (and if the Liquidity Provider or Credit Provider acts as agent for one or more other Persons, the obligations of such other Persons), as applicable, under its related Liquidity Facility or Credit Facility have terminated in accordance with the terms thereof, and such Liquidity Provider or Credit Provider has been paid in full;

provided, that this Section shall not in any way limit or affect the rights of the Liquidity Provider or Credit Provider, as applicable, as a Holder, as subrogee of a Holder or as assignee of a Holder or to otherwise be reimbursed and indemnified for its costs and expenses and other payment on or in connection with the Bonds or the Liquidity Facility or Credit Facility, as applicable, either by operation of law or at equity or by contract to the extent the same were accrued prior to the occurrence of the events described in this Section; and, provided further, that such rights shall be restored if any of the foregoing events have been cured or court decisions have been reversed.

In addition to, and without limitation of, the foregoing provision or any other provision of this Bond Indenture pertaining to any Liquidity Provider or any Bank Bonds, and in the event that any Bond is a Bank Bond, then the Liquidity Provider shall have all such rights as the Holder of such Bond as would apply in accordance with the terms of such Bond and this Bond Indenture (including, without limitation, under Article VII) to the Holder of such Bond if such Bond were not a Bank Bond.

References in the provisions of this Bond Indenture to any Liquidity Provider or Credit Provider (including, without limitation, in provisions of this Bond Indenture requiring the consent of, or the giving of notice to, such Liquidity Provider and/or the Credit Provider, as applicable) shall be of no further force or effect at such time as (a) the obligations of such Liquidity Provider or Credit Provider (and, if such Liquidity Provider or Credit Provider acts as

“agent” for one or more other Persons, the obligations of such other Persons) under the related Liquidity Facility or Credit Facility have been terminated in accordance with the terms thereof, and (b) any and all Bank Bonds to which such Liquidity Facility relates that are Outstanding at the time of such termination cease to be Outstanding.

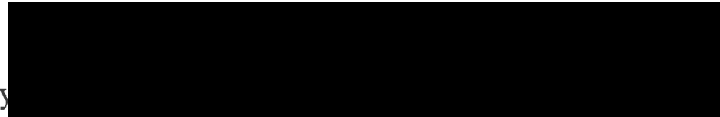
SECTION 11.18. Terms of Bond Indenture to Govern. If any one or more terms or provisions of this Bond Indenture shall conflict with or be inconsistent with any term or provision of any Liquidity Facility Agreement or Credit Facility Agreement, the terms and provisions of this Bond Indenture shall govern and control, notwithstanding anything to the contrary contained in such Liquidity Facility Agreement or Credit Facility Agreement, as applicable; provided, however, that nothing contained in this Bond Indenture shall, or shall be construed to, govern, define, expand or alter, in any manner or to any extent, the obligations of any Liquidity Provider under its Liquidity Facility or any Credit Provider under its Credit Facility, as applicable.

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IN WITNESS WHEREOF, the WASHINGTON HEALTH CARE FACILITIES AUTHORITY and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Bond Trustee, have caused this Bond Indenture to be executed by their respective officers, all as of the day and year first above written.

WASHINGTON HEALTH CARE FACILITIES AUTHORITY

By



Donna A. Murr
Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Bond Trustee

By:

Vice President

IN WITNESS WHEREOF, the WASHINGTON HEALTH CARE FACILITIES AUTHORITY and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Bond Trustee, have caused this Bond Indenture to be executed by their respective officers, all as of the day and year first above written.

WASHINGTON HEALTH CARE FACILITIES AUTHORITY

By: _____
Donna A. Murr
Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Bond Trustee

By: _____


EXHIBIT A

FORM OF BOND

**THIS BOND IS SUBJECT TO PURCHASE, REDEMPTION
OR ACCELERATION PRIOR TO MATURITY
AS DESCRIBED HEREIN**

EXCEPT WITH RESPECT TO TRANSFERS TO AN INDEX RATE HOLDER AFFILIATE, TRANSFERS OF THIS BOND ARE RESTRICTED TO INVESTORS WHO (I) EXECUTE AN INVESTMENT LETTER SUBSTANTIALLY IN THE FORM ATTACHED TO THE BOND INDENTURE AND (II) BY THEIR PURCHASE OF THIS BOND REPRESENT THAT THEY (A) ARE PURCHASING THIS BOND SOLELY FOR THEIR OWN ACCOUNT WITH NO PRESENT INTENT TO TRANSFER THIS BOND, (B) CAN BEAR THE ECONOMIC RISK OF THEIR INVESTMENT IN THIS BOND, (C) MEET THE TRANSFER REQUIREMENTS SET FORTH IN THE INDEX RATE AGREEMENT, AND (D) HAVE MADE THE DECISION TO PURCHASE THIS BOND BASED ON THEIR OWN INDEPENDENT INVESTIGATION REGARDING THIS BOND AND HAVE RECEIVED THE INFORMATION THEY CONSIDER NECESSARY TO MAKE AN INFORMED DECISION TO INVEST IN THIS BOND. THE PURCHASER OF THIS BOND IS DEEMED TO HAVE SO REPRESENTED.

REGISTERED

REGISTERED

Number: 1

Principal Amount:
\$51,400,000

UNITED STATES OF AMERICA

STATE OF WASHINGTON

WASHINGTON HEALTH CARE FACILITIES AUTHORITY
REVENUE BOND, SERIES 2015A
(Catholic Health Initiatives)

Dated Date: August 11, 2015

Maturity Date: March 1, 2032

Holder: PNC BANK, NATIONAL ASSOCIATION

Principal Amount: FIFTY-ONE MILLION FOUR HUNDRED THOUSAND AND NO/100
DOLLARS

The WASHINGTON HEALTH CARE FACILITIES AUTHORITY (the "Authority"), a public body corporate and politic and an agency of the State of Washington (the "State"), for value received, hereby promises to pay (but only out of the Revenues (as defined in the Bond

Indenture hereinafter described) and other assets pledged therefor as hereinafter mentioned) to the Holder (as defined hereinafter) on the Maturity Date (subject to the right of prior redemption and purchase hereinafter mentioned), the principal sum stated above, in lawful money of the United States of America.

The Authority further promises to pay to the Holder of this Bond interest on the unpaid principal balance hereof from time to time, which shall be payable in accordance with the Bond Indenture on each Interest Payment Date to the maturity or the earlier redemption, purchase or acceleration of this Bond. The Bonds shall be initially issued in the form of Index Rate Bonds, and interest thereon shall be payable on September 1, 2015, and on each Interest Payment Date thereafter.

During each Index Rate Period, such interest shall accrue during each Index Interest Period at a rate, rounded upward to the nearest third decimal place, equal to the sum of (a) the Applicable Spread then in effect and (b) the product of (1) the Applicable Index then in effect and (2) the Applicable Factor then in effect, determined in accordance with the Bond Indenture, computed on the basis of either a 360-day year and actual days elapsed (with respect to Index Rate Bonds bearing interest based on LIBOR) or a 365- or 366-day year, as applicable, for the number of days actually elapsed (with respect to Index Rate Bonds bearing interest based on the SIFMA Swap Index or CPI-U).

The determination of the Index Rate by the Index Agent and the calculation by the Index Agent of the amount of interest for any Index Interest Period shall be conclusive and binding upon the Holders of the Bonds, the Bond Trustee, any Liquidity Provider and any Credit Provider absent manifest error. Failure by the Bond Trustee, the Calculation Agent or the Index Agent to give any notice required under the Bond Indenture, or any defect therein, shall not affect the interest rate borne by any of the Bonds. The Authority, the Bond Trustee, the Corporation, the Index Agent, the Remarketing Agent, the Calculation Agent, any Liquidity Provider and any Credit Provider shall not be liable to any Holders for failure to give any such notice, or any defect therein, or for failure of any Holders to receive any such notice.

During the Initial Index Rate Period, Catholic Health Initiatives, a Colorado nonprofit corporation authorized to operate nonprofit health care facilities and a "501(c)(3) organization" (as defined in the Internal Revenue Code of 1986, as amended (the "Code")) (the "Corporation") may initiate a conversion in the interest rate borne on this Bond and the payment, redemption and tender provisions applicable to this Bond, by delivering a written notice to the Bond Trustee, the Authority, the Index Agent, the Tender Agent, the Remarketing Agent, the Index Rate Holder, any Liquidity Provider and any Credit Provider to the effect that the Bonds will be converted to Daily Rate Bonds, Two-Day Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds, FRN Rate Bonds, Window Variable-Rate Bonds, RTV Rate Bonds or Long-Term Rate Bonds or from one Index Rate Period to another Index Rate Period. The Bond Trustee is required to deliver notice of any such conversion to the Holder prior to the Conversion Date and in accordance with the Bond Indenture. Any such conversion shall be subject to the circumstances and conditions set forth in the Bond Indenture.

This Bond is one of a duly authorized issue of special fund revenue bonds of the Authority designated as the "WASHINGTON HEALTH CARE FACILITIES AUTHORITY

REVENUE BONDS, SERIES 2015A (Catholic Health Initiatives),” issued in the original principal amount of \$51,400,000 (the “Bonds”). The Bonds are initially issued in fully registered form without coupons in the denomination of \$250,000 or any integral multiple of \$5,000 in excess thereof.

Capitalized words and phrases used but not defined herein shall have the meanings set forth in the Bond Trust Indenture pertaining to the Bonds (the “Bond Indenture”), dated as of August 11, 2015 (the “Date of Issue”), by and between the Authority and Wells Fargo Bank, National Association (together with any successor thereto as trustee thereunder, the “Bond Trustee”), unless otherwise noted.

The Bonds are issued pursuant to chapter 70.37 RCW, as amended (the “Act”), Resolution No. 2015-08 of the Authority, the Bond Indenture, and other proceedings duly had and taken in conformity therewith. The proceeds of the Bonds are being lent to the Corporation pursuant to a Loan and Security Agreement pertaining to the Bonds (the “Loan Agreement”), dated as of the Date of Issue, by and between the Authority and the Corporation. The Bonds are issued for the purpose of providing part of the funds necessary for the Refunding Plan.

The principal of and interest on the Bonds are payable solely from and shall be a valid claim only as against the money and investments in the Bond Fund. Pursuant to the Act, the Bonds constitute a prior charge over all other charges or claims whatever against the Bond Fund.

The Bonds do not constitute obligations, either general, special or moral, of the State, or pledges of the faith and credit of the State, or general obligations of the Authority. The Holders of the Bonds have no right to require the State or the Authority, and neither the State nor the Authority has any obligation or legal authorization to levy any taxes or appropriate or expend any of its respective funds for the payment of the Required Bond Payments.

The Bonds are secured by a security interest in and statutory lien and claim against the money and investments on deposit in the Bond Fund.

As part of the security for the payment of the Bonds, the Authority has assigned all of its rights, title and interests in, to and under, the Loan Agreement (subject to certain reservations and exceptions noted therein) and the Obligation to the Bond Trustee, in trust and without recourse.

So long as this Bond is an Index Rate Bond, the Holder hereof may not elect to tender this Bond (or any portion hereof) for purchase by the Tender Agent.

During the Initial Index Rate Period, this Bond is subject to mandatory tender for purchase by the Tender Agent on (a) a Conversion Date, (b) a Liquidity Facility Date, (c) a Credit Facility Date, (d) the fifth day next preceding an Expiration Date (unless, on or prior to the fifth day next preceding such Expiration Date, such Expiration Date is extended) of any Liquidity Facility or any Credit Facility in effect with respect to the Bonds, (e) a Termination Date of any Liquidity Facility or any Credit Facility in effect with respect to the Bonds, (f) an Index Rate Purchase Date relating to an Index Rate Period except with respect to a Direct Purchase Period Conversion to the extent provided in the Bond Indenture or (g) on the third

Business Day after the Bond Trustee receives written notice from the Index Rate Holder stating that an "Event of Default" (as defined in the Index Rate Agreement) has occurred and is continuing under the Index Rate Agreement and directing the Bond Trustee to call the Bonds for mandatory tender for purchase, all in accordance with the Bond Indenture. Upon any such mandatory tender, this Bond shall be purchased by the Tender Agent at a purchase price equal to 100% of the principal amount hereof, plus accrued interest, if any, to the Purchase Date as provided in the Bond Indenture. A mandatory tender for purchase will not occur on a Liquidity Facility Date or Credit Facility Date if, on or prior to the proposed Liquidity Facility Date or Credit Facility Date, as applicable, the Tender Agent and/or the Bond Trustee, as applicable, does not receive a Liquidity Facility or a Credit Facility, as applicable, together with the supporting facility documents. If the Corporation exercises its right to cancel a conversion of the interest rate on the Bonds or, if any of the other conditions to such conversion are not fulfilled, the Bonds will not be subject to mandatory tender for purchase on the proposed Conversion Date.

In the event that the Index Rate Bonds constitute Unremarketed Bonds, such mandatory tender for purchase shall be deemed rescinded when the Bond Trustee receives notice from the Index Rate Holder indicating that, based on the Index Rate Holder's understanding that the conditions to term-out under the Index Rate Agreement have been satisfied, the Index Rate Bonds constitute Unremarketed Bonds. It is expressly acknowledged that an Index Rate Agreement is not required to provide for Unremarketed Bonds and that the initial Index Rate Agreement does not provide for Unremarketed Bonds.

If this Bond is subject to mandatory purchase on any Purchase Date and is not delivered to the Tender Agent on such date but there has been irrevocably deposited in trust with the Bond Trustee or the Tender Agent an amount sufficient to pay the Purchase Price hereof, it shall nonetheless be deemed to have been tendered for purchase for all purposes under the Bond Indenture, and the Holder hereof shall not be entitled to any payment (including any interest to accrue on or after the Purchase Date) other than the Purchase Price hereof, and this Bond shall not be entitled to any benefits of the Bond Indenture, except for payment of such Purchase Price out of the moneys deposited for such payment as provided in and subject to the provisions of the Bond Indenture.

If, following the giving of notice of mandatory tender of Bonds pursuant to the Bond Indenture, an event occurs which, in accordance with the terms of the Bond Indenture causes such mandatory tender not to occur, then (i) the Bond Trustee shall so notify the Holders of such Bonds (at their addresses as they appear on the registration books of the Bond Trustee on the date of such notice), by Electronic Notice, confirmed by first-class mail, as soon as may be practicable after the applicable Purchase Date, and (ii) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

The failure to purchase Bonds on a Purchase Date (other than a Purchase Date where a Liquidity Facility is in effect with respect to the Bonds, no automatic termination event has occurred under the Liquidity Facility, and the Liquidity Provider fails to pay or provide funds for the payment of the Purchase Price, when required) shall constitute an Event of Default. If Index

Rate Bonds are not purchased when required pursuant to the provisions of the Bond Indenture, such Bonds shall bear interest at the Default Rate, unless such Index Rate Bonds constitute Unremarketed Bonds, in which case they shall bear interest at the Bank Index Rate.

This Bond is subject to redemption prior to its stated maturity by the Authority, upon the direction of the Corporation, from any funds deposited for such purpose in the Bond Fund, on any date prior to the then-applicable Index Rate Purchase Date, in whole or in part in such amount as is designated by the Corporation at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption.

This Bond is subject to redemption prior to its stated maturity by the Authority, upon the direction of the Corporation, on any date, as a whole or in part in such amount as is designated by the Corporation and in any manner which the Bond Trustee shall deem appropriate and fair within a maturity, at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the members of the CHI Credit Group.

This Bond is also subject to redemption prior to its stated maturity by the Authority, upon the direction of the Corporation, as a whole or in part on any date in such amount as is designated by the Corporation and in any manner which the Bond Trustee shall deem appropriate and fair within a maturity from moneys deposited in the Bond Fund pursuant to the Loan Agreement, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, if (1) any member of the CHI Credit Group, by reason of final judicial, legislative or administrative action, either is legally required by reason of being a member of the CHI Credit Group or a user of the proceeds of the Bonds or as a condition of continued eligibility for reimbursement or payment under a federal or state program, to operate in any manner that the Corporation in good faith believes to be contrary to the Ethical and Religious Directives or the principles and beliefs of the Roman Catholic Church, or (2) the Corporation in good faith believes that there is a substantial threat that a member of the CHI Credit Group or a user of the proceeds of the Bonds will or may be required to operate contrary to the Ethical and Religious Directives or the principles and beliefs of the Roman Catholic Church, or (3) as a result of any changes in the Constitution of the United States of America or any state, or any legislative or administrative action or inaction by the United States of America or any state, or any agency or political subdivision thereof, or by reason of any judicial decisions, there is a good faith determination by the Corporation that (A) the Capital Obligation Document has become void or unenforceable or performance thereunder has become legally impossible or (B) unreasonable burdens or excessive liabilities have been imposed on all or any of the members of the CHI Credit Group, including, without limitation, federal, state or other *ad valorem* property, income or other taxes not being imposed on the Date of Issue resulting in the cessation of operations of any member of the CHI Credit Group.

This Bond is also subject to redemption prior to its stated maturity, in part from Mandatory Sinking Account Payments, on the applicable Principal Payment Date, at a

Redemption Price equal to the principal amount thereof, plus interest accrued thereon to the date fixed for redemption, as follows:

Mandatory Sinking Account Payment Dates (March 1)	Mandatory Sinking Account Payments
2016	\$1,900,000
2017	2,000,000
2018	2,100,000
2019	2,200,000
2020	2,300,000
2021	2,500,000
2022	2,600,000
2023	2,800,000
2024	2,900,000
2025	3,100,000
2026	3,300,000
2027	3,400,000
2028	3,600,000
2029	3,800,000
2030	4,100,000
2031	4,300,000
2032*	4,500,000

*Final maturity

Notice of redemption having been duly given as provided in the Bond Indenture, and moneys for payment of the Redemption Price of, together with interest accrued thereon, if any, to the redemption date on, this Bond (or portion hereof) so called for redemption being held by the Bond Trustee, on the redemption date designated in such notice, this Bond (or portion hereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice together with interest accrued thereon, if any, to the redemption date, interest on this Bond (or portion hereof) so called for redemption shall cease to accrue, this Bond (or portion hereof) shall cease to be entitled to any benefit or security under the Bond Indenture, and the Holder of this Bond shall have no rights in respect hereof except to receive payment of said Redemption Price and accrued interest, if any.

Notice of redemption shall be given by the Bond Trustee, at the expense of the Corporation, for and on behalf of the Authority. All notices of redemption shall be given at such times, contain such information and have the effect all as set forth in the Bond Indenture. Neither the failure of the Bond Trustee to give such notice to a Holder of Bonds nor any defect in such notice so given shall affect the validity of the redemption of any other Bonds.

Any notice of redemption (other than a notice of redemption from Mandatory Sinking Account Payments pursuant to the Bond Indenture) may be rescinded by written notice given to the Bond Trustee by the Corporation no later than five Business Days prior to the date fixed for redemption. The Bond Trustee shall give notice of such rescission as soon thereafter as practicable in the same manner, and to the same persons, as notice of such redemption was given pursuant to the Bond Indenture.

Upon surrender of any Bond redeemed in part only, the Authority shall execute and the Bond Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Corporation, a new Bond or Bonds, of Authorized Denominations and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Pursuant to the Bond Indenture, the Authority irrevocably grants to the Corporation the option to purchase, at any time and from time to time, any Bond which is to be redeemed pursuant to specific provisions of the Bond Indenture on the dates of such redemption and at a purchase price equal to the Redemption Price therefor. In order for the Corporation to exercise such option, the Corporation must notify the Bond Trustee not less than five Business Days (or such shorter period as may be acceptable to the Bond Trustee) prior to the proposed redemption date that amounts available to pay the Redemption Price of such Bonds are to be applied to purchase such Bonds in lieu of redemption. No notice other than the notice of redemption described in the Bond Indenture need be given in connection with any such purchase in lieu of redemption. On or prior to the day fixed for redemption, the Corporation shall deliver to the Bond Trustee and the Authority an Opinion of Bond Counsel to the effect that the purchase in lieu of redemption pursuant to this paragraph is in accordance with the provisions of the Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled. On the day fixed for redemption, the Bond Trustee will purchase the Bonds to be redeemed in lieu of such redemption and, following such purchase, the Bond Trustee will cause such Bonds to be registered in the name of or upon direction of the Corporation and deliver them to or as directed by the Corporation. No purchase of Bonds pursuant to this paragraph will operate to extinguish the indebtedness of the Authority evidenced thereby. Bonds purchased in lieu of redemption will continue to bear interest at the Interest Rate Mode in effect on the date of such purchase in lieu of redemption.

If an Event of Default shall occur and be continuing, the principal of all Bonds and the interest accrued thereon may be declared due and payable upon the conditions, in the manner and with the effect provided in the Bond Indenture. The Bond Indenture provides that in certain events such declaration and its consequences may be rescinded by the Holders of more than 50% in aggregate principal amount of the Bonds then outstanding or by the Bond Trustee.

Subject to the limitations and upon payment of the charges, if any, provided in the Bond Indenture, Bonds may be exchanged, at the Corporate Trust Office of the Bond Trustee, for a like aggregate principal amount of Bonds of other Authorized Denominations of the same maturity.

Subject to the last sentence of this paragraph, this Bond is transferable by the Holder hereof, in person or by his attorney duly authorized in writing, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Bond Indenture, and

upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond or Bonds, of any Authorized Denomination, of the same maturity and for a like aggregate principal amount, will be issued to the transferee in exchange herefor. In no event (other than pursuant to and in accordance with the Bond Indenture) will any Bond selected by the Bond Trustee for redemption or with respect to which the Tender Agent has received notice from the Holder thereof that such Bond will be delivered for purchase on or before the next Interest Payment Date be exchanged or transferred. With respect to the transfer of Index Rate Bonds, unless waived in writing by the Authority, the Bond Trustee shall not effect, permit or recognize any sale, offer for sale, exchange, transfer, assignment, pledge or hypothecation of any Index Rate Bond to any Person: (A) except with respect to a transfer to an Index Rate Holder Affiliate, prior to receipt by the Bond Trustee of an Investment Letter, duly executed and delivered by the purchaser, transferee, assignee or pledgee of such Index Rate Bond and (B) if additional conditions are set forth in the Index Rate Agreement, in accordance therewith, evidenced by a certificate delivered to the Bond Trustee and the Authority establishing compliance therewith.

The Authority and the Bond Trustee may treat and consider the Person in whose name this Bond is registered in the registration books kept by the Bond Trustee as the absolute Holder hereof for the purpose of payment of the Required Bond Payments with respect hereto, for the purpose of giving notices of redemption and other matters with respect hereto, for the purpose of registering transfers with respect to this Bond and for all other purposes whatsoever, and the Authority and the Bond Trustee shall not be affected by any notice to the contrary.

The Bond Indenture and the rights and obligations of the Authority, the Holders of the Bonds and the Bond Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Bond Indenture; provided, that no such modification or amendment shall (i) extend the fixed maturity of this Bond, or reduce the amount of principal hereof, or extend the time of payment or reduce the amount of any Mandatory Sinking Account Payment required by the Bond Indenture for the payment of this Bond, or reduce the rate of interest on this Bond, or extend the time of payment of interest hereon or change the transferability provisions with respect to this Bond, without the consent of any Credit Provider and the Holder hereof, or (ii) reduce the percentage of Bonds the consent of any Credit Provider and the Holders of which is required to effect any such modification or amendment, or (iii) permit the creation of any lien on the Revenues and other assets pledged under the Bond Indenture prior to or on a parity with the lien created by the Bond Indenture, or deprive any Credit Provider and the Holders of the Bonds of the lien created by the Bond Indenture on such Revenues and other assets (except as expressly provided in the Bond Indenture), without the consent of any Credit Provider and the Holders of all Bonds then outstanding, all as more fully set forth in the Bond Indenture.

Reference is hereby made to the Bond Indenture for other terms and conditions upon which this Bond has been issued, which terms and conditions are made a part hereof by this reference. Executed counterparts of the Bond Indenture, the Loan Agreement and the Capital Obligation Document, and copies of the Obligations are on file at the office of the Bond Trustee.

It is hereby certified that all acts, conditions and things required by the constitution and statutes of the State to be done, to have happened and to have been performed precedent to and

in the issuance of this Bond have been done, have happened and have been performed as required by law.

This Bond shall not be valid or obligatory for any purpose unless the certificate of authentication hereon shall have been manually signed by an authorized signatory of the Bond Trustee.

IN WITNESS WHEREOF, the WASHINGTON HEALTH CARE FACILITIES AUTHORITY has caused this Bond to be executed in its name and on its behalf by the facsimile signatures of its Chair and of its Executive Director, all as of the date set forth above.

WASHINGTON HEALTH CARE FACILITIES
AUTHORITY

By _____
[facsimile signature]
Chair

By _____
[facsimile signature]
Executive Director

CERTIFICATE OF AUTHENTICATION

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

WELLS FARGO BANK,
NATIONAL ASSOCIATION, as Bond Trustee

By _____
Authorized Signatory

Date of Authentication:

ASSIGNMENT

For value received, the undersigned Owner(s) sell(s), assign(s), and transfer(s) unto:

(name, address and social security number or other identifying number of assignee)
the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s)

to transfer the same on the registry books of the Bond Trustee, with full power of substitution in the premises.

Dated: _____

Owner(s)

NOTE: The signature(s) above must correspond with the name of the Owner(s) as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature(s) Guaranteed: _____

NOTE: Signature(s) must be guaranteed by an eligible guarantor.

EXHIBIT B

DEFINITIONS AND AUCTION PROCEDURES

Section 100. Certain Definitions.

In addition to the terms defined elsewhere in this Agreement, the following terms shall have the following meanings with respect to the Bonds while they are Auction Bonds, unless the context otherwise requires:

“All-Hold Rate” means, on any date of determination, for (i) an Auction Period of seven days or less, the interest rate per annum equal to 85% of the Index on such date; (ii) an Auction Period of 28- or 35-days, the interest rate per annum equal to 95% of the Index; or (iii) an Auction Period greater than 35 days, the interest rate per annum equal to 70% of the Index on such date, provided that in no event shall the All-Hold Rate be more than the Maximum Rate.

“Applicable Number of Business Days” means the greater of two Business Days or one Business Day plus the number of Business Days by which the Auction Date precedes the first day of the next succeeding Auction Bonds Interest Period.

“Auction” means each periodic implementation of the Auction Procedures.

“Auction Agency Agreement” means an Auction Agency Agreement relating to the Bonds between the Corporation, the Bond Trustee and the Auction Agent, as acknowledged by the Authority, and any similar agreement with a successor Auction Agent, in each case as from time to time amended or supplemented.

“Auction Agent” means any person appointed as such pursuant to Section 112 of this *Exhibit B*.

“Auction Bonds” means the Bonds which bear interest at an Auction Rate.

“Auction Bonds Interest Period” means an Auction Period during which the Bonds bear interest at a particular Auction Rate.

“Auction Date” means (a) if the Auction Bonds are in a Flexible Auction Period, the last Business Day of the Flexible Auction Period, and (b) if the Auction Bonds are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Auction Bonds (whether or not an Auction shall be conducted on such date); provided, however, that the last Auction Date with respect to the Auction Bonds in a Flexible Auction Period shall be the earlier of (i) the Business Day next preceding the Interest Payment Date next preceding the Conversion Date for the Auction Bonds and (ii) the Business Day next preceding the Interest Payment Date next preceding the final maturity date for the Auction Bonds. The last Business Day of a Flexible Auction Period shall be the Auction Date for the Auction Period which begins on the next succeeding Business Day, if any.

“Auction Period” means:

- (a) a Flexible Auction Period;
- (b) with respect to Auction Bonds in a seven-day Auction Period and with Auctions generally conducted on
 - (i) Fridays, a period of generally seven days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the next succeeding Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),
 - (ii) Mondays, a period of generally seven days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Monday) and ending on the next succeeding Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),
 - (iii) Tuesdays, a period of generally seven days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the next succeeding Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),
 - (iv) Wednesdays, a period of generally seven days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Wednesday) and ending on the next succeeding Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and
 - (v) Thursdays, a period of generally seven days beginning on a Friday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Thursday) and ending on the next succeeding Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);
- (c) with respect to Auction Bonds in a 28-day Auction Period and with Auctions generally conducted on
 - (i) Fridays, a period of generally 28 days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the fourth Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),
 - (ii) Mondays, a period of generally 28 days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not

end on a Monday) and ending on the fourth Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),

(iii) Tuesdays, a period of generally 28 days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the fourth Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),

(iv) Wednesdays, a period of generally 28 days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Wednesday) and ending on the fourth Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and

(v) Thursdays, a period of generally 28 days beginning on a Friday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Thursday) and ending on the fourth Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);

(d) with respect to Auction Bonds in a 35-day Auction Period and with Auctions generally conducted on

(i) Fridays, a period of generally 35 days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Sunday) and ending on the fifth Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),

(ii) Mondays, a period of generally 35 days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Monday) and ending on the fifth Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),

(iii) Tuesdays, a period of generally 35 days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Tuesday) and ending on the fifth Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day),

(iv) Wednesdays, a period of generally 35 days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Wednesday) and ending on the fifth Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and

(v) Thursdays, a period of generally 35 days beginning on a Friday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Thursday) and ending on the fifth Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);

(e) with respect to Auction Bonds in a three-month mode, a period of generally three months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the calendar day immediately preceding the first Business Day of the month that is the third calendar month following the beginning date of such Auction Period; and

(f) with respect to Auction Bonds in a six-month Auction Period, a period of generally six months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the next succeeding April 1 or October 1.

Notwithstanding the foregoing, if an Auction is for an Auction Period of more than seven days and the Auction Rate on such Auction Date is the Maximum Rate because Sufficient Clearing Bids do not exist, the Auction Period will automatically change to a seven-day Auction Period.

“Auction Period Adjustment” has the meaning set forth in Section 117 of this *Exhibit B*.

“Auction Procedures” means the procedures set forth in Section 104 of this *Exhibit B*.

“Auction Rate” means the rate of interest per annum on any Auction Date that results from the implementation of the Auction Procedures, and determined as described in Section 104 of this *Exhibit B*.

“Authorized Denominations” with respect to the Auction Bonds means \$25,000 and integral multiples thereof.

“Available Auction Bonds” has the meaning assigned to such term in Section 104(d)(i)(1) of this *Exhibit B*.

“BD” means any broker or dealer (each as defined in the Securities Exchange Act), commercial bank or other entity permitted by law to perform the functions required of a Broker-Dealer set forth in the Auction Procedures that (i) is a Securities Depository Participant (or an affiliate of a Securities Depository Participant), (ii) has been selected by the Corporation and (iii) has entered into a Broker-Dealer Agreement that remains effective.

“Bid” has the meaning assigned to such term in Section 104(a)(i) of this *Exhibit B*.

“Bidder” has the meaning assigned to such term in Section 104(a)(i) of this *Exhibit B*.

“BMA Index” means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by the Bond Market Association (“BMA”) or any person acting in cooperation with or under the sponsorship of BMA and acceptable to the Bond Trustee, and effective from such date.

“Broker-Dealer” means BD or another Person meeting the requirements specified in the definition of “Broker-Dealer” contained in Section 112 of this *Exhibit B*.

“Broker-Dealer Agreement” means a Broker-Dealer Agreement among the Auction Agent, the Corporation, the Authority and a Broker-Dealer pursuant to which the Broker-Dealer agrees to participate in Auctions as set forth in the Auction Procedures, in each case as from time to time amended or supplemented.

“Business Day” with respect to the Auction Bonds means any day other than dates as may be agreed to in writing or by Electronic Means by the Auction Agent, the Broker-Dealer, and the Authority, a Saturday, a Sunday and other day on which banks in The City of New York, New York or the New York Stock Exchange, the Trustee or the Auction Agent are authorized or permitted by law or executive order to close.

“Buyer’s Broker-Dealer” has the meaning assigned to such term in the Broker-Dealer Agreement.

“Code” means the Internal Revenue Code of 1986, as amended.

“Cover Bid” means a Bid placed by the Broker-Dealer for all or part of the Auction Bonds.

“DTC” means The Depository Trust Company.

“Electronic Means” means telecopy, telegram, facsimile transmission, e-mail transmission, other similar means of electronic transmission, including a telephonic transmission confirmed by any other method set forth in this definition, or other method of electronic communication mutually agreed to by the parties to the Broker-Dealer Agreement. Notwithstanding the preceding sentence, “Electronic Means” also means Short-Term Adjustable Rate Trader system (“START”) or similar electronic system for the conduct of Auctions, where applicable.

“Estimated Market Rate” means an interest rate or range of interest rates that, in the Broker-Dealer’s good faith judgment, reflects a fair and reasonable interest rate, taking into consideration such circumstances as it believes are relevant, including prevailing market conditions with respect to such security at the time of the determination, general economic conditions and trends, current interest rates for comparable securities, and the Corporation’s financial condition and prospects. In determining the Estimated Market Rate, BD should not take into consideration either the interest of the Corporation in paying a low interest rate or the interest of investors in receiving a high interest rate. In addition, in determining the Estimated Market Rate for purposes of submitting a Bid for its own account, BD may also consider such

factors as the expense involved, the size of the BD's inventory position, its capital requirements and its risk management needs.

"Existing Holder" means (a) with respect to and for the purpose of dealing with the Auction Agent in connection with an Auction, a Person who is a Broker-Dealer listed in the Existing Holder Registry at the close of business on the Business Day immediately preceding the Auction Date for such Auction and (b) with respect to and for the purpose of dealing with the Broker-Dealer in connection with an Auction, a Person who is a qualified owner of Auction Bonds.

"Existing Holder Registry" means the register maintained by the Auction Agent pursuant to Section 2.2(a)(i) of the Auction Agency Agreement.

"Flexible Auction Period" means with respect to Auction Bonds, (a) any period of 182 days or less which is divisible by seven and which begins on an Interest Payment Date and ends (i) in the case of Auction Bonds with Auctions generally conducted on Fridays, on a Sunday unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (ii) in the case of Auction Bonds with Auctions generally conducted on Mondays, on a Monday unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (iii) in the case of Auction Bonds with Auctions generally conducted on Tuesdays, on a Tuesday unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (iv) in the case of Auction Bonds with Auctions generally conducted on Wednesdays, on a Wednesday unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, and (v) in the case of Auction Bonds with Auctions generally conducted on Thursdays, on a Thursday unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day or (b) any period which is longer than 182 days which begins on an Interest Payment Date and ends not later than the final scheduled maturity date of such Auction Bonds.

"Hold Order" has the meaning set forth in Section 104(a)(i) of this *Exhibit B*.

"Index" means, on any Auction Date with respect to the Auction Bonds in any Auction Period of 35 days or less, the S&P Weekly Index on such date and, with respect to Auction Bonds in any Auction Period of more than 35 days, the yield on United States Treasury securities on the date the Auction Period began which has a maturity which most closely matches the last day of the Auction Period. If such rate is unavailable, the Index for the Auction Bonds means an index or rate agreed to by all Broker-Dealers. If for any reason on any Auction Date the Index shall not be determined as provided above, the Index shall mean the Index for the Auction Period ending on such Auction Date.

"Internal Submission Deadline" means the internal deadline established by each Broker-Dealer after which it will not accept Orders or any change in any Order previously placed with such Broker-Dealer. Initially, the Broker-Dealer Deadline shall be 11:45 a.m. New York City time. Any Broker-Dealer may change the times referred to in the prior sentence as they relate to such Broker-Dealer by giving notice to the Auction Agent. Notwithstanding the

foregoing, the Broker-Dealer Deadline is implemented for the benefit of the Broker-Dealers and may be waived by any individual Broker-Dealer in any particular circumstance in the sole discretion of such Broker-Dealer.

“Interest Payment Date” with respect to Bonds bearing interest at Auction Rates, means, notwithstanding anything else in this Bond Indenture to the contrary, (a) when used with respect to any Auction Period other than a Flexible Auction Period, the Business Day immediately following such Auction Period, (b) when used with respect to a Flexible Auction Period of (i) seven or more but fewer than 183 days, the Business Day immediately following such Flexible Auction Period, or (ii) 183 or more days, each April 1 or October 1 and on the Business Day immediately following such Flexible Auction Period, and (d) the Maturity Date.

“Order” has the meaning assigned to such term in Section 104(a)(i) of this *Exhibit B*.

“Outstanding Auction Bonds” means, as of a particular date, all Auction Bonds theretofore authenticated and delivered, except: (a) Auction Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation pursuant to the Bond Indenture; (b) Auction Bonds which are deemed to have been paid in accordance with the Bond Indenture; and (c) Auction Bonds in exchange for or in lieu of which other Auction Bonds have been authenticated and delivered pursuant to the Bond Indenture.

“Participant” means a member or participant in the Securities Depository.

“Payment Default” means a default in the payment of interest on and principal of the Auction Bonds to Existing Holders when due.

“Person” means any natural person, firm, joint venture, association, partnership, business, trust, corporation, limited liability company, public body, agency or political subdivision thereof or any other similar entity.

“Potential Holder” means, any Person (including an Existing Holder that is (a) a Broker-Dealer when dealing with the Auction Agent and (b) a potential beneficial owner when dealing with a Broker-Dealer) who may be interested in acquiring Auction Bonds (or, in the case of an Existing Holder thereof, an additional principal amount of Auction Bonds).

“Record Date” means, with respect to Auction Bonds, the Applicable Number of Business Days immediately preceding each Interest Payment Date.

“Securities Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Securities Depository” means The Depository Trust Company and its successors and assigns and any other securities depository selected by the Authority with the consent of the Corporation.

“Sell Order” has the meaning assigned to such term in Section 104(a)(i) of this *Exhibit B*.

“Submission Deadline” means 1:00 p.m. on any Auction Date or such other time on any Auction Date by which the Broker-Dealers are required to submit Orders to the Auction Agent as specified by the Auction Agent from time to time.

“Submission Processing Deadline” means the earlier of (i) 40 minutes after the Submission Deadline and (ii) the time when the Auction Agent begins to disseminate the results of the Auction to the Broker-Dealers.

“Submission Processing Representation” has the meaning assigned to such term in subsection 2.3(e) of the Broker-Dealer Agreement.

“Submitted Bid” has the meaning assigned to such term in Section 104(d)(i) of this *Exhibit B*.

“Submitted Hold Order” has the meaning assigned to such term in Section 104(d)(i) of this *Exhibit B*.

“Submitted Order” has the meaning assigned to such term in Section 104(d)(i) of this *Exhibit B*.

“Submitted Sell Order” has the meaning assigned to such term in Section 104(d)(i) of this *Exhibit B*.

“Sufficient Clearing Bids” has the meaning assigned to such term in Section 104(d)(i)(2) of this *Exhibit B*.

“S&P Weekly Index” means the Standard & Poor’s Weekly High Grade Index, which is composed of thirty-four MIG-1 rated municipal tax-exempt notes that are not subject to AMT and the coupon of each issue is adjusted to price that component on par and track the high-grade weekly tax-exempt levels.

“Winning Bid Rate” has the meaning assigned to such term in Section 104(d)(i)(3) of this *Exhibit B*.

Section 101. Global Form; Securities Depository.

(a) Except as otherwise provided in this Section 101, the Auction Bonds, in the form of one Bond, shall be registered in the name of the Securities Depository, and ownership thereof shall be maintained in book-entry form by the Securities Depository for the account of the Securities Depository Participants thereof. Initially, the Auction Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Except as provided in subsection (d) of this Section 101, the Auction Bonds may be transferred, in whole but not in part, only to the Securities Depository, or to a successor Securities Depository selected or approved by the Corporation or to a nominee of such successor Securities Depository.

(b) None of the Authority, the Corporation, the Auction Agent, the Bond Trustee nor any of their respective affiliates shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository or any Securities Depository Participant with respect to any beneficial ownership interest in the Auction Bonds;

(ii) the delivery to any Securities Depository Participant, any beneficial owner of the Auction Bonds or any other person, other than the Securities Depository, of any notice with respect to the Auction Bonds; or

(iii) the payment to any Securities Depository Participant, any beneficial owner of the Auction Bonds or any other person, other than the Securities Depository, of any amount with respect to the principal of or interest on the Auction Bonds.

(c) So long as the certificates for the Auction Bonds are not issued pursuant to subsection (d) of this Section 101, the Authority, the Corporation and the Bond Trustee may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of the Auction Bonds for all purposes whatsoever, including without limitation:

(i) the payment of principal of and interest on the Auction Bonds;

(ii) giving notices of redemption and other matters with respect to the Auction Bonds;

(iii) registering transfers with respect to the Auction Bonds; and

(iv) the selection of Auction Bonds for redemption.

(d) If at any time the Corporation determines that the Auction Bonds should not be maintained in book-entry form or the Securities Depository notifies the Authority that it is unwilling or unable to continue as Securities Depository with respect to the Auction Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the Corporation within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, then this Section 101 shall no longer be applicable and the Authority, at the direction of the Corporation, shall execute (but need not prepare) and the Bond Trustee shall authenticate and deliver certificates representing the Auction Bonds as provided below. Certificates for the Auction Bonds issued in exchange for a global certificate pursuant to this subsection (d) shall be registered in such names and Authorized Denominations as the Securities Depository, pursuant to instructions from the Securities Depository Participants or otherwise, shall instruct the Authority and the Bond Trustee. The Bond Trustee shall promptly deliver such certificates representing the Auction Bonds to the Persons in whose names such Auction Bonds are so registered on the Business Day immediately preceding the first day of an Auction Bonds Interest Period.

(e) So long as the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository, an Existing Holder may sell, transfer or otherwise dispose of its beneficial interest in Auction Bonds only pursuant to a Bid or Sell Order placed in any Auction or to or through a Broker-Dealer, provided that (1) in the case of all transfers other than pursuant to Auctions or mandatory tenders such Existing Holder, its Broker-Dealer or its Securities

Depository Participant advises the Auction Agent of such transfer and (2) a sale, transfer or other disposition of Auction Bonds from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the holder of such Auction Bonds to that Broker-Dealer or another customer of that Broker-Dealer will not be deemed to be a sale, transfer or other disposition for purposes of this paragraph if such Broker-Dealer remains the Existing Holder of the Auction Bonds so sold, transferred or disposed of immediately after such sale, transfer or disposition.

Section 102. Interest on Auction Bonds.

(a) Interest on the Auction Bonds shall accrue for each Interest Payment Period and shall be payable in arrears, commencing on the Interest Payment Date and on each Interest Payment Date thereafter.

(b) The Auction Rate for the Interest Payment Period shall be as set forth in Section 2.03(k)(1) of the Bond Indenture. Commencing on and including the Interest Payment Date, the Auction Rate for each subsequent interest payment period (hereinafter referred to as a "Subsequent Interest Payment Period" and collectively with the Initial Interest Payment Period being hereinafter referred to as an "Interest Payment Period"), which shall commence on the Interest Payment Date for the preceding Interest Payment Period and shall end on but exclude the next succeeding Interest Payment Date, shall be equal to the Auction Rate (but in no event shall be greater than the Maximum Rate); provided that if, on any Auction Date, an Auction is not held for any reason, then (a) the rate of interest for the next succeeding Subsequent Interest Payment Period shall equal 90% of the BMA Index, and (b) if thereafter an Auction is not held for any reason, then the rate of interest for the next succeeding Subsequent Interest Payment Period shall equal 100% of the BMA Index, and (c) if thereafter an Auction is not held for any reason, then the rate of interest for any Subsequent Interest Payment Periods shall equal the Maximum Rate on such Auction Date and the Auction Period shall be a seven-day Auction Period.

Notwithstanding the foregoing, if:

(i) the ownership of the Auction Bonds is no longer maintained in book-entry form by the Securities Depository, the Auction Rate for any Subsequent Interest Payment Period commencing after the delivery of certificates representing Auction Bonds pursuant to Section 101(d) of this *Exhibit B* shall equal the Maximum Rate on the Business Day immediately preceding the first day of such Subsequent Interest Payment Period and the Auction Period shall be a seven-day Auction Period; or

(ii) a Payment Default occurs, Auctions will be suspended and the Auction Rate for the Interest Payment Period commencing on or after such Payment Default and for each Interest Payment Period thereafter to and including the Interest Payment Period, if any, during which, or commencing less than the Applicable Number of Business Days after, such Payment Default is cured shall equal the Maximum Rate and the Auction Period shall be a seven-day Auction Period; or

(iii) the Corporation withdraws notice of the exercise of its option to effect conversion of Auction Bonds under Section 2.05(b) or Section 2.04 and the next

succeeding Auction Date shall be two or fewer Business Days after the Business Day on which the Bond Trustee receives notice of withdrawal of the conversion notice from the Corporation, then an Auction shall not be held on such Auction Date and the Auction Rate on the Auction Bonds subject to the failed conversion for the next succeeding Interest Payment Period shall be equal to the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

Section 103. Payments.

So long as the Auction Bonds are registered in the name of the Securities Depository, payment of principal of and interest on the Auction Bonds shall be made to the Securities Depository by wire transfer provided proper wire instructions are received.

Section 104. Auction Procedures.

Auctions shall be conducted on each Auction Date (other than the Auction Date immediately preceding (i) each Auction Bonds Interest Period commencing after the ownership of the Auction Bonds is no longer maintained in book-entry form by the Securities Depository; (ii) each Auction Bonds Interest Period commencing after the occurrence and during the continuance of a Payment Default; or (iii) any Auction Bonds Interest Period commencing less than the Applicable Number of Business Days after the cure of a Payment Default). If there is an Auction Agent on such Auction Date, Auctions shall be conducted in the following manner:

(a) Orders by Existing Holders and Potential Holders.

(i) Prior to the Internal Submission Deadline on each Auction Date:

(1) each Existing Holder of Auction Bonds may submit to a Broker-Dealer information as to:

a. the principal amount of Outstanding Auction Bonds, if any, held by such Existing Holder that such Existing Holder desires to continue to hold without regard to the Auction Rate for the next succeeding Auction Bonds Interest Period;

b. the principal amount of Outstanding Auction Bonds, if any, that such Existing Holder offers to sell if the Auction Rate for the next succeeding Auction Bonds Interest Period shall be less than the rate per annum specified by such Existing Holder; and/or

c. the principal amount of Outstanding Auction Bonds, if any, held by such Existing Holder that such Existing Holder offers to sell without regard to the Auction Rate for the next succeeding Auction Bonds Interest Period; and

(2) one or more Broker-Dealers may contact Potential Holders to determine the principal amount of Auction Bonds that each such Potential Holder offers to purchase if the Auction Rate for the next succeeding Auction Bonds Interest Period shall not be less than the rate per annum specified by such Potential Holder.

The communication to a Broker-Dealer of information referred to in clause (1)(a), (1)(b), (1)(c) or (2) of this paragraph (i) is hereinafter referred to as an "Order" and collectively as "Orders" and each Existing Holder and each Potential Holder placing an Order is hereinafter referred to as a "Bidder" and collectively as "Bidders"; an Order containing the information referred to in (x) clause (1)(a) of this paragraph (i) is hereinafter referred to as a "Hold Order" and collectively as "Hold Orders," (y) clause (1)(b) or (2) of this paragraph (i) is hereinafter referred to as a "Bid" and collectively as "Bids" and (z) clause (1)(c) of this paragraph (i) is hereinafter referred to as a "Sell Order" and collectively as "Sell Orders."

(ii) Subject to the provisions of Subsection (b) of this Section 104,

(1) A Bid by an Existing Holder shall constitute an offer to sell, unless revoked prior to the Internal Submission Deadline:

a. The principal amount of Outstanding Auction Bonds specified in such Bid if the Auction Rate determined as provided in this Section shall be less than the rate specified in such Bid; or

b. Such principal amount or a lesser principal amount of Outstanding Auction Bonds to be determined as set forth in clause (3) of paragraph (i) of Subsection (d) of this Section 104, if the Auction Rate determined as provided in this Section 104 shall be equal to the rate specified in such Bid; or

c. Such principal amount or a lesser principal amount of Outstanding Auction Bonds to be determined as set forth in clause (3) of paragraph (ii) of Subsection (d) of this Section 104 if the rate specified shall be higher than the Maximum Rate and Sufficient Clearing Bids have not been made.

(2) A Sell Order by an Existing Holder shall constitute an offer to sell, unless revoked prior to the Internal Submission Deadline:

a. The principal amount of Outstanding Auction Bonds specified in such Sell Order, or

b. Such principal amount or a lesser principal amount of Outstanding Auction Bonds as set forth in clause (3) of paragraph (ii) of Subsection (d) of this Section 104 if Sufficient Clearing Bids have not been made.

(3) A Bid by a Potential Holder shall constitute an offer to purchase, unless revoked prior to the Internal Submission Deadline:

a. The principal amount of Outstanding Auction Bonds specified in such Bid if the Auction Rate determined as provided in this Section shall be higher than the rate specified in such Bid; or

b. Such principal amount or a lesser principal amount of Outstanding Auction Bonds as set forth in clause (3) of paragraph (i) of Subsection (d) of this

Section 104 if the Auction Rate determined as provided in this Section shall be equal to the rate specified in such Bid.

(4) No Bids or Orders that are “all-or-none” shall be accepted.

(5) No “market Orders” shall be accepted.

(b) Bidding by BD.

(i) BD shall submit an Order to sell in an Auction all Auction Bonds for that Auction of which it is the beneficial owner.

(ii) BD may place a Bid for its own account in an Auction at any time until the Submission Deadline, as long as any Bid it places is at an Estimated Market Rate.

(iii) BD may place one or more Cover Bids for all or part of the Auction as long as any Bid it places is at an Estimated Market Rate.

(iv) BD may withdraw any Bids placed pursuant to Sections 102(b)(ii) or 102(b)(iii) of these Auction Procedures prior to the Submission Deadline.

(c) Submissions by Broker-Dealers to the Auction Agent.

(i) Each Broker-Dealer shall submit by Electronic Means to the Auction Agent prior to the Submission Processing Deadline (subject to paragraph (g) of this Section) on each Auction Date all Orders obtained by such Broker-Dealer and shall specify with respect to each such Order:

(1) the name of the Bidder placing such Order;

(2) the aggregate principal amount of Auction Bonds that are the subject of such Order;

(3) to the extent that such Bidder is an Existing Holder:

a. the principal amount of Auction Bonds, if any, subject to any Hold Order placed by such Existing Holder;

b. the principal amount of Auction Bonds, if any, subject to any Bid placed by such Existing Holder and the rate specified in such Bid;

c. the principal amount of Auction Bonds, if any, subject to any Sell Order placed by such Existing Holder; and

(4) to the extent such Bidder is a Potential Holder, the rate and amount specified in such Potential Holder’s Bid.

(ii) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth (.001) of 1%.

(iii) If an Order or Orders covering all Outstanding Auction Bonds held by any Existing Holder is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the principal amount of Outstanding Auction Bonds held by such Existing Holder and not subject to an Order submitted to the Auction Agent.

(iv) None of the Authority, the Corporation, the Bond Trustee nor the Auction Agent shall be responsible for any failure of a Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Holder or Potential Holder.

(v) If any Existing Holder submits through a Broker-Dealer to the Auction Agent one or more Orders covering in the aggregate more than the principal amount of Outstanding Auction Bonds held by such Existing Holder, such Orders shall be considered valid as follows and in the following order of priority:

(1) all Hold Orders shall be considered valid, but only up to and including in the aggregate the principal amount of Auction Bonds held by such Existing Holder, and if the aggregate principal amount of Auction Bonds subject to such Hold Orders exceeds the aggregate principal amount of Auction Bonds held by such Existing Holder, the aggregate principal amount of Auction Bonds subject to each such Hold Order shall be reduced pro rata to cover the aggregate principal amount of Outstanding Auction Bonds held by such Existing Holder;

(2) any Bid shall be considered valid up to and including the excess of the principal amount of Outstanding Auction Bonds held by such Existing Holder over the aggregate principal amount of Auction Bonds subject to any Hold Orders referred to in clause (1) of this paragraph (v);

a. if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate principal amount of Outstanding Auction Bonds subject to such Bids is greater than such excess, such Bids shall be considered valid up to and including the amount of such excess and the stated amount of Auction Bonds subject to each Bid with the same rate shall be reduced pro rata to cover the stated amount of Auction Bonds equal to such excess;

b. subject to subclause (a) of this clause (2), if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the amount of such excess; and

c. in any such event, the aggregate principal amount of Outstanding Auction Bonds, if any, subject to Bids not valid under this clause (2) shall be treated as the subject of a Bid by a Potential Holder at the rate therein specified; and

(3) all Sell Orders shall be considered valid up to and including the excess of the principal amount of Outstanding Auction Bonds held by such Existing Holder over the aggregate principal amount of Auction Bonds subject to valid Hold Orders referred to in clause (1) of this paragraph (v) and valid Bids referred to in clause (2) of this paragraph (v).

(vi) If more than one Bid for Auction Bonds is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and principal amount therein specified.

(vii) Any Bid or Sell Order submitted by an Existing Holder covering an aggregate principal amount of Auction Bonds not equal to an Authorized Denomination therefor shall be rejected and shall be deemed a Hold Order. Any Bid submitted by a Potential Holder covering an aggregate principal amount of Auction Bonds not equal to an Authorized Denomination therefor shall be rejected.

(viii) An Existing Holder that offers to purchase additional Auction Bonds is, for purposes of such offer, treated as a Potential Holder.

(ix) Any Bid specifying a rate higher than the Maximum Rate will (a) be treated as a Sell Order if submitted by an Existing Holder and (b) not be accepted if submitted by a Potential Holder.

(x) Any Order submitted by a Broker-Dealer to the Auction Agent prior to the Submission Deadline shall be revocable until the Submission Processing Deadline and shall become irrevocable upon the occurrence of the Submission Processing Deadline.

(d) Determination of Sufficient Clearing Bids, Auction Rate and Winning Bid Rate.

(i) Not earlier than the Submission Deadline on each Auction Date, the Auction Agent shall assemble all valid Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to individually as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, or as a "Submitted Order" and collectively as "Submitted Hold Orders, "Submitted Bids" or "Submitted Sell Orders," as the case may be, or as "Submitted Orders") and shall determine:

(1) the excess of the total principal amount of Outstanding Auction Bonds over the sum of the aggregate principal amount of Outstanding Auction Bonds subject to Submitted Hold Orders (such excess being hereinafter referred to as the "Available Auction Bonds"); and

(2) from such Submitted Orders whether:

a. the aggregate principal amount of Outstanding Auction Bonds subject to Submitted Bids by Potential Holders specifying one or more rates equal to or lower than the Maximum Rate exceeds or is equal to the sum of:

b. the aggregate principal amount of Outstanding Auction Bonds subject to Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Rate; and

c. the aggregate principal amount of Outstanding Auction Bonds subject to Submitted Sell Orders (in the event such excess or such equality exists, other than because the sum of the principal amounts of Auction Bonds in subclauses (b) and (c) above is zero because all of the Outstanding Auction Bonds are subject to Submitted Hold Orders, such Submitted Bids in subclause (a) above are hereinafter referred to collectively as "Sufficient Clearing Bids"), and

(3) if Sufficient Clearing Bids have been made, the lowest rate specified in such Submitted Bids (which shall be the "Winning Bid Rate") such that if:

a. (aa) each such Submitted Bid from Existing Holders specifying such lowest rate and (bb) all other Submitted Bids from Existing Holders specifying lower rates were rejected, thus entitling such Existing Holders to continue to hold the principal amount of Auction Bonds subject to such Submitted Bids; and

b. (aa) each such Submitted Bid from Potential Holders specifying such lowest rate and (bb) all other Submitted Bids from Potential Holders specifying lower rates were accepted,

the result would be that such Existing Holders described in subclause (a) above would continue to hold an aggregate principal amount of Outstanding Auction Bonds which, when added to the aggregate principal amount of Outstanding Auction Bonds to be purchased by such Potential Holders described in subclause (b) above, would equal not less than the Available Auction Bonds.

(ii) Promptly after the Auction Agent has made the determinations pursuant to paragraph (i) of this Subsection (d), the Auction Agent shall advise the Trustee of the Maximum Rate and the All-Hold Rate and the components thereof on the Auction Date and, based on such determinations, the Auction Rate for the next succeeding Auction Bonds Interest Period (the "Auction Rate") as follows:

(1) if Sufficient Clearing Bids have been made, that the Auction Rate for the next succeeding Auction Bonds Interest Period shall be equal to the Winning Bid Rate so determined;

(2) if Sufficient Clearing Bids have not been made (other than because all of the Outstanding Auction Bonds are subject to Submitted Hold Orders), that the Auction Rate for the next succeeding Auction Bonds Interest Period shall be equal to the Maximum Rate; or

(3) if all Outstanding Auction Bonds are subject to Submitted Hold Orders, that the Auction Rate for the next succeeding Auction Bonds Interest Period shall be equal to the All-Hold Rate.

(e) Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation of Auction Bonds.

Existing Holders shall continue to hold the principal amount of Auction Bonds that are subject to Submitted Hold Orders, and, based on the determinations made pursuant to paragraph (i) of Subsection (d) of this Section 104, Submitted Bids and Submitted Sell Orders shall be accepted or rejected and the Auction Agent shall take such other action as set forth below:

(i) If Sufficient Clearing Bids have been made, all Submitted Sell Orders shall be accepted and, subject to the provisions of paragraph (iv) of this Subsection (e), Submitted Bids shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(1) Existing Holders' Submitted Bids specifying any rate that is higher than the Winning Bid Rate shall be accepted, thus requiring each such Existing Holder to sell the aggregate principal amount of Auction Bonds subject to such Submitted Bids;

(2) Existing Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be rejected, thus entitling each such Existing Holder to continue to hold the aggregate principal amount of Auction Bonds subject to such Submitted Bids;

(3) Potential Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring such Potential Holder to purchase the aggregate principal amount of Auction Bonds subject to such Submitted Bids;

(4) Each Existing Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be rejected, thus entitling such Existing Holder to continue to hold the aggregate principal amount of Auction Bonds subject to such Submitted Bid, unless the aggregate principal amount of Outstanding Auction Bonds subject to all such Submitted Bids shall be greater than the principal amount of Auction Bonds (the "remaining principal amount") equal to the excess of the Available Auction Bonds over the aggregate principal amount of Auction Bonds subject to Submitted Bids described in clauses (2) and (3) of this paragraph (i), in which event such Submitted Bid of such Existing Holder shall be rejected in part, and such Existing Holder shall be entitled to continue to hold the principal amount of Auction Bonds subject to such Submitted Bid, but only in an amount equal to the aggregate principal amount of Auction Bonds obtained by multiplying the remaining principal amount by a fraction the numerator of which shall be the principal amount of Outstanding Auction Bonds held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the sum of the principal amount of Outstanding Auction Bonds subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate; and

(5) Each Potential Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be accepted but only in an amount equal to the principal amount of Auction Bonds obtained by multiplying the excess of the aggregate principal amount of Available Auction Bonds over the aggregate principal amount of Auction Bonds subject to Submitted Bids described in clauses (2), (3) and (4) of this paragraph (i) by a fraction the

numerator of which shall be the aggregate principal amount of Outstanding Auction Bonds subject to such Submitted Bid and the denominator of which shall be the sum of the principal amounts of Outstanding Auction Bonds subject to Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate.

(ii) If Sufficient Clearing Bids have not been made (other than because all of the Outstanding Auction Bonds are subject to Submitted Hold Orders), subject to the provisions of paragraph (iv) of this Subsection (d), Submitted Orders shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(1) Existing Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Rate shall be rejected, thus entitling such Existing Holders to continue to hold the aggregate principal amount of Auction Bonds subject to such Submitted Bids;

(2) Potential Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus requiring each Potential Holder to purchase the aggregate principal amount of Auction Bonds subject to such Submitted Bids, and

(3) Each Existing Holder's Submitted Bid specifying any rate that is higher than the Maximum Rate and the Submitted Sell Order of each Existing Holder shall be accepted, thus entitling each Existing Holder that submitted any such Submitted Bid or Submitted Sell Order to sell the Auction Bonds subject to such Submitted Bid or Submitted Sell Order, but in both cases only in an amount equal to the aggregate principal amount of Auction Bonds obtained by multiplying the aggregate principal amount of Auction Bonds subject to Submitted Bids described in clause (2) of this paragraph (ii) by a fraction the numerator of which shall be the aggregate principal amount of Outstanding Auction Bonds held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the aggregate principal amount of Outstanding Auction Bonds subject to all such Submitted Bids and Submitted Sell Orders.

(iii) If all Outstanding Auction Bonds are subject to Submitted Hold Orders, all Submitted Bids shall be rejected.

(iv) If, as a result of the procedures described in paragraph (i) or (ii) of this Subsection (e), any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a principal amount of Auction Bonds that is not equal to an Authorized Denomination therefor, the Auction Agent shall, in such manner as it shall, in its sole discretion, determine, round up or down the principal amount of Auction Bonds to be purchased or sold by any Existing Holder or Potential Holder so that the principal amount of Auction Bonds purchased or sold by each Existing Holder or Potential Holder shall be equal to an Authorized Denomination therefor, if such allocation results in one or more of such Potential Holders not purchasing any Auction Bonds.

(f) Based on the results of each Auction, the Auction Agent shall determine the aggregate principal amount of Auction Bonds to be purchased and the aggregate principal amount of Auction Bonds to be sold by Potential Holders and Existing Holders on whose behalf

each Broker-Dealer submitted Bids or Sell Orders and, with respect to each Broker-Dealer, to the extent that such aggregate principal amount of Auction Bonds to be sold differs from such aggregate principal amount of Auction Bonds to be purchased, determine to which other Broker-Dealer or Broker-Dealers acting for one or more purchasers such Broker-Dealer shall deliver, or from which other Broker-Dealer or Broker-Dealers acting for one or more sellers such Broker-Dealer shall receive, as the case may be, Auction Bonds.

(g) Broker-Dealers may submit an Order, after the Submission Deadline and prior to the Submission Processing Deadline if the Order was (i) received by the Broker-Dealer from Existing Holders or Potential Holders prior to the Submission Deadline or (ii) initiated internally by the Broker-Dealer for its own account prior to the Submission Deadline. Each Order submitted to the Auction Agent after the Submission Deadline and prior to the Submission Processing Deadline shall constitute a representation by the Broker-Dealer that such Order was (i) received from an Existing Holder or Potential Holder prior to the Submission Deadline or (ii) initiated internally by the Broker-Dealer for its own account prior to the Submission Deadline (the "Submission Processing Representation").

(h) BD may report suspected clerical errors on the part of the Auction Agent at any time up to one hour after the time the Auction results are first provided to BD. If the Auction Agent confirms the existence of such an error prior to the final settlement of transfers with respect to such Auction at Securities Depository, the Auction Agent shall correct the error and notify the Broker-Dealers of the corrected results. If a clerical error by the Auction Agent is discovered after such final settlement, the Auction Agent may make the change and post new results if the Auction Agent receives consent from all Broker-Dealers that participated in the Auction.

Section 105. Certain Orders Not Permitted.

Neither the Authority nor any Member of the CHI Credit Group may submit an Order in any Auction. The Auction Agent shall have no duty or liability in monitoring or enforcing compliance with this Section 105.

Section 106. Notice of Payment Defaults and Cures.

By 12:30 p.m., New York City time, on the Business Day immediately succeeding each Interest Payment Date, the Bond Trustee will determine if a Payment Default has occurred. If a Payment Default has occurred, the Bond Trustee shall notify the Corporation, the Auction Agent and the Broker-Dealer by 1:00 p.m., New York City time, of such Payment Default on said date. If a Payment Default has been cured, the Bond Trustee shall so notify the Corporation, the Auction Agent and the Broker-Dealer by 5:00 p.m., New York City time, on the day such Payment Default is cured.

Section 107. Calculation of All-Hold Rate.

The Auction Agent shall calculate the All-Hold Rate on each Auction Date.

Section 108. Computation of Interest.

The amount of interest distributable to Holders of Auction Bonds in respect of each \$25,000 in principal amount thereof for any Interest Payment Period or part thereof shall be calculated by applying the Auction Rate for such Interest Payment Period or part thereof to the principal amount of \$25,000, multiplying such product by the actual number of days in the Interest Payment Period or part thereof concerned divided by 365 or 366, as applicable, and truncating the resultant figure to the nearest one cent. Interest on the Auction Bonds shall be computed by the Bond Trustee on the basis of a 365-day year for the number of days actually elapsed; except that for any such calculation with respect to an Interest Payment Date occurring after January 1 of any leap year through December 31 of such leap year, such interest shall be computed on the basis of a 366-day year period. In the event an Interest Payment Date occurs in any Interest Payment Period on a date other than the first day of such Interest Payment Period, the Bond Trustee, after confirming the calculation required above, shall calculate the portion of the Interest Amount payable on such Interest Payment Date and the portion payable on the next succeeding Interest Payment Date. The Bond Trustee shall make the calculation required in this Section 108 not later than the close of business on each Auction Date.

Section 109. Notification of Rates, Amounts and Payment Dates.

(a) The Bond Trustee shall determine the aggregate amount of interest distributable on the next succeeding Interest Payment Date to the Holders of the Auction Bonds. So long as the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository, the Bond Trustee shall advise the Securities Depository of each Record Date for the Auction Bonds at least two Business Days prior thereto.

(b) Promptly after the Date of Delivery and each Interest Payment Date, and in any event at least three days prior to each Interest Payment Date the Bond Trustee shall:

(i) so long as no Payment Default has occurred and is continuing and the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository, confirm the Auction Agent's determination of (A) the date of such next Interest Payment Date, (B) interest rate applicable to the Auction Bonds for the related Interest Payment Period and (C) the amount payable to the Auction Agent on that Interest Payment Date, pursuant to Section 106 of this *Exhibit B* and notify the Auction Agent of any discrepancy therein; and

(ii) advise the Securities Depository, so long as the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository, of the Auction Rate and the Interest Amount calculated in accordance with Section 108 above in respect of the next succeeding Interest Payment Date.

In the event that any day that is scheduled to be an Interest Payment Date shall be changed after the Bond Trustee shall have given the notice referred to in clause (i) of the preceding sentence, not later than 9:15 a.m., New York City time, on the Business Day next preceding the earlier of the new Interest Payment Date or the old Interest Payment Date, the Bond Trustee shall, by such means as the Bond Trustee deems practicable, give notice of such change to the Auction Agent,

so long as no Payment Default has occurred and is continuing and the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository.

Section 110. Adjustment in Percentages.

(a) With the prior approval of the Corporation, the Broker Dealer(s) shall adjust the percentage used in determining the All-Hold Rate if any such adjustment is necessary, in the judgment of the Broker Dealer(s), to reflect any change in market condition. In making any such adjustment, the Broker Dealer(s) shall take the following factors as in existence both before and after such change in market condition, into account:

- (i) short-term taxable and tax-exempt market rates and indices of such short-term rates;
- (ii) the market supply and demand for short-term tax-exempt securities;
- (iii) yield curves for short-term and long-term tax-exempt securities or obligations having a credit rating that is comparable to the Auction Bonds;
- (iv) general economic conditions; and
- (v) economic and financial factors present in the securities industry that may affect or that may be relevant to the Auction Bonds.

(b) The Broker Dealer(s) shall effectuate an adjustment in the percentage used in determining the All-Hold Rate by delivering to the Authority, the Corporation, the Bond Trustee and the Auction Agent at least 10 days prior to the Auction Date on which the Broker Dealer desires to effect such change an Opinion of Bond Counsel to the effect that such adjustment is authorized by this Bond Indenture, is permitted under the laws of the State and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Auction Bonds is otherwise entitled and a certificate in substantially the form attached hereto as Attachment 1, authorizing the adjustment of the percentage used in determining the All-Hold Rate, which percentages shall be specified in such certificate.

Section 111. Auction Agent.

(a) The Auction Agent shall be (i) a bank or trust company duly organized under the laws of the United States of America or any state or territory thereof having its principal place of business in New York, New York and having a combined capital stock, surplus and undivided profits of at least \$30,000,000 or (ii) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it hereunder and under the Auction Agency Agreement. The Auction Agent may resign and be discharged of the duties and obligations created by this Bond Indenture by giving at least 90 days' written notice to the Authority, the Corporation, the Bond Trustee and the Broker-Dealers (30 days' written notice if the Auction Agent has not been paid its fee for more than 30 days). The Auction Agent may be removed at any time by the Bond Trustee, if the Auction Agent is an entity other than the Bond Trustee, the Corporation or the Holders of 66 2/3% of the aggregate principal amount of the Auction Bonds, by an instrument

signed by the Bond Trustee and filed with the Auction Agent, the Authority, the Corporation and the Broker-Dealers upon at least 90 days' notice. If the Auction Agent and the Bond Trustee are the same entity, the Auction Agent may be removed as described above, with the Corporation acting in lieu of the Bond Trustee.

(b) In the event that, while any Bonds are Auction Bonds, the Auction Agent shall resign or be removed or dissolved, or if the property or affairs of the Auction Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the Bond Trustee at the direction of the Corporation shall use its best efforts to appoint a successor Auction Agent, and the Bond Trustee shall thereupon enter into an Auction Agency Agreement with such successor.

(c) The Auction Agent shall be acting as agent for the Bond Trustee in connection with Auctions. In the absence of bad faith or negligence on its part, or breach of the express provisions of the Auction Agency Agreement, the Auction Agent shall not be liable for any action taken, suffered or omitted or for any error of judgment made by it in the performance of its duties under the Auction Agency Agreement and shall not be liable for any error of judgment made in good faith unless the Auction Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts. The Bond Trustee shall not be liable for any action taken, suffered or omitted, or for any error of judgment made by the Auction Agent, whether in the performance of its duties under the Auction Agency Agreement or otherwise.

(d) Subject to any applicable governmental restrictions, the Auction Agent may be or become the owner of or trade in the Auction Bonds with the same rights as if such entity were not the Auction Agent.

Section 112. Broker-Dealers.

(a) Upon conversion of the Bonds to be Auction Bonds, the Auction Agent and the Corporation shall enter into a Broker-Dealer Agreement with one or more Broker-Dealers that meet the requirements hereof, appointed by the Corporation. Each Broker-Dealer shall be a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$50,000,000 and authorized by law to perform all the duties imposed upon it hereunder and under the Broker-Dealer Agreement. Any Broker-Dealer may resign and be discharged of the duties and obligations created by the Broker-Dealer Agreement by giving at least 30 days' written notice to the Authority, the Corporation, the Bond Trustee and the Auction Agent or immediately upon the conditions specified in Section 5.2(b) of the Broker-Dealer Agreement.

(b) The Corporation may remove any Broker- Dealer at any time by written notice delivered to the Auction Agent, the Bond Trustee, the Securities Depository and each other Broker-Dealer, provided that a successor Broker-Dealer has been appointed if none is already serving. There shall, at all times, be at least one Broker-Dealer appointed and acting as such.

(c) In the event that, while any Bonds are Auction Bonds, a Broker-Dealer shall resign or be removed or dissolved, or if the property or affairs of a Broker-Dealer shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and there is no other Broker-Dealer then serving, the

Corporation shall use its best efforts to appoint a successor Broker-Dealer, and the Auction Agent and the Corporation shall thereupon enter into a Broker-Dealer Agreement with such successor.

(d) Subject to any applicable governmental restrictions, a Broker-Dealer may be or become the owner of or trade in the Auction Bonds with the same rights as if such entity were not a Broker-Dealer.

Section 113. Credit Ratings.

The Corporation shall take all reasonable action necessary to enable at least two Rating Agencies to provide credit ratings for the Auction Bonds.

Section 114. Maximum Purchases of Auction Bonds.

Neither the Authority nor the Corporation shall purchase or otherwise acquire Auction Bonds unless the Authority or the Corporation, as applicable, redeems or otherwise cancels such Auction Bonds within two (2) Business Days of the day of purchase.

Section 115. Notice of Payment Default.

(a) So long as the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository, upon the occurrence of a Payment Default the Bond Trustee shall immediately send Electronic Notice thereof in substantially the form of Attachment 2 hereto to the Auction Agent and the Broker-Dealers

(b) So long as the ownership of the Auction Bonds is maintained in book-entry form by the Securities Depository, the Bond Trustee shall immediately send Electronic Notice in substantially the form of Attachment 3 hereto to the Auction Agent if a Payment Default is cured.

Section 116. Changes in Auction Period or Periods.

While any of the Auction Bonds are Outstanding, the Corporation may, from time to time, change the length of one or more Auction Periods (an "Auction Period Adjustment"), in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by the Auction Bonds. The Corporation shall not initiate an Auction Period Adjustment unless it shall have received the written consents of the Broker-Dealer(s) for such Auction Bonds, which consents shall not be unreasonably withheld, not later than 14 days prior to the Auction Date for the first such Auction Period. The Corporation shall initiate the Auction Period Adjustment by giving written notice to the Bond Trustee, the Auction Agent, the Broker-Dealer(s) for such Auction Bonds, each Rating Agency and the Securities Depository at least 10 days prior to the Auction Date for such Auction Period. Any such adjusted Auction Period shall not be less than seven days nor more than 366 days.

An Auction Period Adjustment shall take effect only if (a) the Bond Trustee and the Auction Agent receive, by 11:00 a.m., New York City time, on the Business Day before the

Auction Date for the first such Auction Period, a Certificate of the Corporation authorizing the Auction Period Adjustment specified in such certificate along with a copy of the written consent of the Broker-Dealer(s) for such Auction Bonds and (b) Sufficient Clearing Bids exist as of the Auction on the Auction Date for such first Auction Period. If the condition referred to in (a) above is not met, the applicable Auction Rate for the next Auction Period shall be determined pursuant to the Auction Procedures and the Auction Period shall be the Auction Period determined without reference to the proposed change. If the condition referred to in (a) is met but the condition referred in (b) above is not met, the Auction Rate for the next Auction Period shall be the applicable Maximum Rate and the Auction Period shall be a period of 7 days commencing on the date of the failed Auction Period Adjustment. In connection with any Auction Period Adjustment, the Auction Agent shall provide such further notice to such parties as is specified in the Auction Agency Agreement.

Section 117. Changes in the Auction Date.

The Broker Dealer, with the written consent of the Corporation, may specify an earlier Auction Date (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" herein with respect to one or more specified Auction Periods in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne on the Auction Bonds. The Broker-Dealer(s) for such Auction Bonds shall deliver a written request for consent to such change in the length of the Auction Date to the Corporation at least 14 days prior to the effective date of such change. If the Corporation shall have delivered such written consent to the Broker-Dealer(s) for such Auction Bonds, the Broker-Dealer(s) for such Auction Bonds shall provide notice of its determination to specify an earlier Auction Date for one or more Auction Periods by means of a written notice delivered at least 10 days prior to the proposed changed Auction Date to the Bond Trustee, the Auction Agent, the Corporation, each Rating Agency and the Securities Depository. In connection with any change described in this Section 117, the Auction Agent shall provide such further notice to such parties as is specified in the Auction Agency Agreement.

EXHIBIT C

RTV RATE PROVISIONS AND DEFINITIONS

Section 200. Certain Definitions. In addition to terms defined elsewhere in this Bond Indenture, the following terms have the following meanings with respect to Bonds while they are RTV Rate Bonds, unless the context otherwise requires:

“Applicable RTV Extension Sequence Bonds” means, in the case of Bonds in the RTV Rate Period, each subset of Bonds in an RTV Extension Sequence with a specific RTV Extended Mandatory Purchase Date, which Bonds shall have a different CUSIP number from the Bonds issued on the Date of Issue and from any Bonds in an RTV Extension Sequence with a different RTV Extended Mandatory Purchase Date.

“Beneficial Owner” means, so long as the Bonds are held in the book entry system, any Person who acquires a beneficial ownership interest in a Bond held by the Securities Depository. If at any time the Bonds are not held in the book entry system, Beneficial Owner means Holder for purposes of this Bond Indenture.

“Effective Date” means, with respect to the RTV Rate Bonds, the date on which a new interest rate takes effect.

“One Year MMD Rate” means the interest rate most recently released, as of the applicable date of determination, by Municipal Market Data for its “Aaa” General Obligation Yield for uninsured bonds for a term equal to one year.

“RTV Alternate Extended Mandatory Purchase Date” means an RTV Extended Mandatory Purchase Date specified by the Corporation in accordance with Section 203(b) of this *Exhibit C* upon satisfaction of the conditions set forth in such Section 203(b) of this *Exhibit C*, which date may be (i) the last Interest Payment Date occurring no more than 397 days following the date a written notice of tender for the applicable Bond is delivered in accordance with Section 203(b) of this *Exhibit C*; or (ii) any earlier Interest Payment Date occurring the number of months after the commencement of the applicable RTV Extension Sequence selected by the Corporation, as specified by the Corporation in its notice pursuant to Section 203(b) of this *Exhibit C*.

“RTV Alternate Extended Mandatory Purchase Date Effective Date” means the Interest Payment Date specified by the Corporation in accordance with Section 203(b) of this *Exhibit C* after which Bonds entering an RTV Extension Period shall be subject to mandatory purchase on the RTV Alternate Extended Mandatory Purchase Date specified by the Corporation in accordance with Section 203(b) of this *Exhibit C*.

“RTV Alternate Rate” means a rate per annum equal to the SIFMA Swap Index plus 25 basis points, as determined by the Calculation Agent.

“RTV Alternate Extension Rate” means a rate established pursuant to Section 201(e) of this *Exhibit C*.

“RTV Alternate Extension Rate Effective Date” means the effective date specified by the Corporation for a particular RTV Alternate Extension Rate in accordance with Section 201(e) of this *Exhibit C*.

“RTV Extended Mandatory Purchase Date” means the ninth Interest Payment Date occurring after the Interest Payment Date on which the applicable RTV Extension Sequence commences, or any RTV Alternate Extended Mandatory Purchase Date or RTV Purchase Acceleration Date.

“RTV Extension Period” means each period in the RTV Rate Period during which a Bond shall bear interest at an RTV Extension Rate, which period shall (a) begin (i) if immediately prior to the applicable RTV Extension Period the applicable Bond bore interest at an RTV Weekly Rate, (A) unless the RTV Optional Purchase Deadline described in this clause (A) is the first Business Day of a month, on the first Business Day of the month following any RTV Optional Purchase Deadline on which a Bond bearing interest at an RTV Weekly Rate for which a notice of tender has been delivered in accordance with Section 202(a) of this *Exhibit C* is not remarketed in accordance with Section 4.10 of the Bond Indenture or (B) if the RTV Optional Purchase Deadline described in clause (A) is the first Business Day of a month, on such RTV Optional Purchase Deadline, and (ii) in the case of any other RTV Extension Period in an RTV Extension Sequence commencing with an RTV Extension Period described in clause (i), on the Interest Payment Date following the preceding RTV Extension Period and (b) end on the day preceding the earliest to occur of (i) the next Interest Payment Date, (ii) the next Mandatory Purchase Date; (iii) the date on which such Bond is redeemed, (iv) a Conversion Date for such Bond or (v) the maturity date.

“RTV Extension Rate” means, unless an RTV Alternate Extension Rate is in effect, the per annum interest rate on any Bond during an RTV Extension Period, which rate shall be determined by the Calculation Agent based, in the manner described below, on the short-term ratings of the applicable Bond by the Rating Agencies then rating such Bonds on the applicable RTV Rate Determination Date, as determined by the Calculation Agent (which, absent actual knowledge to the contrary, may assume for such purpose that the applicable rating is the initial short-term rating on the applicable Bonds by the applicable Rating Agency or, if the Corporation has provided updated information in accordance with Section 201(g) of this *Exhibit C* as to the rating from any such Rating Agency, the most recent updated rating so provided), as follows:

SHORT-TERM RATINGS			INTEREST RATE NUMBER OF INTEREST PAYMENT DATES SINCE NO BONDS BORE INTEREST AT AN RTV EXTENSION RATE		
FITCH	MOODY'S	S&P	I-4	5-7	8+
F-1+	P-1	A-1+	Greater of (a) SIFMA Rate plus 100 basis points or (b) One Year MMD Rate plus 100 basis points	Greater of (a) SIFMA Rate plus 150 basis points or (b) One Year MMD Rate plus 150 basis points	Greatest of (a) SIFMA Rate plus 200 basis points or (b) One Year MMD Rate plus 200 basis points or (c) Thirty year MMD Rate
F-1	--	A-1	Greater of (a) SIFMA Rate plus 150 basis points or (b) One Year MMD Rate plus 150 basis points	Greater of (a) SIFMA Rate plus 200 basis points or (b) One Year MMD Rate plus 200 basis points	Greatest of (a) SIFMA Rate plus 250 basis points or (b) One Year MMD Rate plus 250 basis points or (c) Thirty Year MMD Rate

SHORT-TERM RATINGS			INTEREST RATE NUMBER OF INTEREST PAYMENT DATES SINCE NO BONDS BORE INTEREST AT AN RTV EXTENSION RATE		
FITCH	MOODY'S	S&P	I-4	5-7	8+
F-2	P-2	A-2	Greatest of (a) SIFMA Rate plus 250 basis points or (b) One Year MMD Rate plus 250 basis points or (c) 8.00%	Greatest of (a) SIFMA Rate plus 300 basis points or (b) One Year MMD Rate plus 300 basis points or (c) 8.00%	Greatest of (a) SIFMA Rate plus 350 basis points or (b) One Year MMD Rate plus 350 basis points or (c) 8.00% or (d) Thirty Year MMD Rate
F-3	P-3	A-3	Greatest of (a) SIFMA Rate plus 350 basis points or (b) One Year MMD Rate plus 350 basis points or (c) 9.00%	Greatest of (a) SIFMA Rate plus 350 basis points or (b) One Year MMD Rate plus 350 basis points or (c) 9.00%	Greatest of (a) SIFMA Rate plus 350 basis points or (b) One Year MMD Rate plus 350 basis points or (c) 9.00% or (d) Thirty Year MMD Rate
Lower than F-3 (or insufficient number or ratings)	Lower than P-3 (or insufficient number of ratings)	Lower than A-3 (or insufficient number of ratings)	Maximum Rate	Maximum Rate	Maximum Rate

For purposes of determining any RTV Extension Rate other than the Maximum Rate, a short-term rating on the applicable Bond shall be required from at least two Rating Agencies, and the applicable interest rate shall be the highest interest rate set forth above (in the grid box corresponding, as of the Interest Payment Date on which the applicable RTV Extension Period begins, to the number of Interest Payment Dates that have occurred since the last Interest Payment Date on which no Bonds bore interest at an RTV Extension Rate) opposite a line that contains any of the short-term ratings in effect for the applicable Bond at the time of determination by the Calculation Agent of the applicable RTV Extension Rate. For example, in the case of a Bond rated F-1 by Fitch, P-1 by Moody's and A-1+ by S&P, the RTV Extension Rate would be determined by reference to the row containing F-1 (the lowest applicable rating); on each of the first four Interest Payment Dates following the last Interest Payment Date on which no Bonds bore interest at an RTV Extension Rate, the Calculation Agent would determine the SIFMA Rate and the One Year MMD Rate in effect as of the applicable Interest Payment Date and add 150 basis points to the higher of the two rates to establish the RTV Extension Rate in effect for the RTV Extension Period that begins on the applicable Interest Payment Date; on each of the fifth, sixth and seventh Interest Payment Dates following the last Interest Payment Date on which no Bonds bore interest at an RTV Extension Rate, the Calculation Agent would determine the SIFMA Rate and the One Year MMD Rate in effect as of the applicable Interest Payment Date and add 200 basis points to the higher of the two rates to establish the RTV Extension Rate in effect for the RTV Extension Period that begins on the applicable Interest Payment Date; and on the eighth and any subsequent Interest Payment Date following the last Interest Payment Date on which no Bonds bore interest at an RTV Extension Rate, the Calculation Agent would determine the SIFMA Rate and the One Year MMD Rate in effect as of the applicable Interest Payment Date and add 250 basis points to the higher of the two rates to establish the RTV Extension Rate in effect for the RTV Extension Period that begins on the applicable Interest Payment Date. The same RTV Extension Rate would be applicable to a Bond rated P-1 by Moody's and A-1 by S&P or to a Bond rated F-1+ by Fitch, P-1 by Moody's and A-1 by S&P.

Notwithstanding the foregoing, the Corporation may from time to time, and in accordance with the provisions of Section 201(e) of this *Exhibit C*, elect to apply to all or a portion of the Bonds in the RTV Mode an RTV Alternate Extension Rate, provided that in the event the RTV Alternate Extension Rate so determined on an RTV Rate Determination Date by the Calculation Agent would be lower than the RTV Extension Rate determined by the Calculation Agent pursuant to the above table, the RTV Extension Rate determined pursuant to the above table shall apply. During any period in which an RTV Alternate Extension Rate is in effect, "RTV Extension Rate" shall mean the applicable RTV Alternate Extension Rate.

Notwithstanding any of the foregoing, the RTV Extension Rate shall not exceed the Maximum Rate.

"RTV Extension Sequence" means, for a Bond bearing interest at an RTV Extension Rate, the period commencing on the day immediately following the end of the most recent RTV Weekly Interest Period for such Bond.

“RTV Mandatory Purchase Date” means, while the Bonds are RTV Bonds (a) any applicable Corporation Elective Purchase Date and (b) in the case of a Bond bearing interest at an RTV Extension Rate, the applicable RTV Extended Mandatory Purchase Date.

“RTV Optional Purchase Date” has the meaning given in Section 202(a) of this *Exhibit C*.

“RTV Optional Purchase Deadline” means in the case of Bonds bearing interest at the RTV Weekly Rate for which a written notice of tender has been delivered in accordance with the Bond Indenture, the date that is seven calendar days after the notice of tender has been delivered (or if such date is not a Business Day, the succeeding Business Day.)

“RTV Purchase Acceleration Date” means for any Bond that has been in an RTV Extension Sequence for at least 90 days as of such date, any date that is an RTV Extended Mandatory Purchase Date for any other Bond if such other Bond has not been remarketed prior to such RTV Extended Mandatory Purchase Date.

“RTV Rate” has the meaning set forth in Section 1.01 of the Bond Indenture.

“RTV Rate Determination Date” means any date on which the interest rate on Bonds in the RTV Rate Period shall be determined, which shall be (a) for a Bond in the RTV Weekly Rate Period (except in the case of the initial RTV Weekly Rate Period following an RTV Rate Conversion Date), the applicable RTV Rate Reset Date; (b) for a Bond bearing interest at the RTV Extension Rate, the first day of the applicable RTV Extension Period, and (c) in the case of the initial RTV Weekly Rate following a RTV Rate Conversion Date, a date determined by the Remarketing Agent which shall be no later than the applicable RTV Rate Conversion Date.

“RTV Rate Period” has the meaning set forth in Section 1.01 of the Bond Indenture.

“RTV Rate Reset Date” means each Thursday, or, if a particular Thursday is not a Business Day, the first Business Day succeeding such Thursday.

“RTV Weekly Rate” means the per annum interest rate on any Bond in the RTV Mode during an RTV Weekly Rate Period, as determined pursuant to Section 201(a) of this *Exhibit C*.

“RTV Weekly Interest Period” means each period during which a Bond in the RTV Rate Period shall bear an RTV Weekly Rate, which shall be a period generally consisting of 7 days commencing on a Thursday (or, if a particular Thursday is not a Business Day, the first subsequent Business Day) and ending on the next Wednesday (or, if the Thursday after such Wednesday is not a Business Day, on the day immediately preceding the next RTV Rate Reset Date), except in the case of (i) the initial RTV Weekly Rate Period occurring after a Conversion Date involving a change from another Interest Rate Mode to an RTV Weekly Rate Period in the RTV Rate Period, for which the period shall be from the applicable Conversion Date to and including the day preceding the first day of the next RTV Weekly Interest Period; (ii) the last RTV Weekly Interest Period preceding an RTV Extension Period for the applicable Bond, for which the period shall end on the day preceding the applicable RTV Extension Period and (iv) any RTV Extension Period in effect for such Bond.

“Thirty Year MMD Rate” means the interest rate most recently released, as of the applicable date of determination, by Municipal Market Data for its “Aaa” General Obligation Yield for uninsured bonds for a term equal to thirty years.

Section 201. Determination of Interest Rates During the RTV Rate Period.

(a) The interest rate for a Bond while in an RTV Weekly Interest Period during the RTV Rate Period shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable RTV Rate Determination Date as the minimum rate of interest which, in the opinion of the Remarketing Agent under then-existing market conditions, would result in the sale of the Bonds for the upcoming RTV Weekly Interest Period of the RTV Rate Period at a price equal to the principal amount thereof plus accrued interest, if any. If as of any RTV Rate Determination Date (i) the RTV Optional Purchase Deadline has occurred for any Bond bearing interest at an RTV Weekly Rate for which a written notice of tender has been delivered in accordance with Section 202(a) of this *Exhibit C*, and (ii)(a) such Bond has not been remarketed in accordance with Section 202(b) of this *Exhibit C*, or (b) any Bond is bearing interest at an RTV Extension Rate, the interest rate for all Bonds bearing interest at an RTV Weekly Rate determined by the Remarketing Agent on the applicable RTV Rate Determination Date shall be the Maximum Rate.

(b) With respect to each RTV Weekly Interest Period occurring during the RTV Rate Period, the Calculation Agent shall establish the RTV Weekly Rate by 10:00 A.M. New York City time on the applicable RTV Rate Determination Date. The Remarketing Agent shall make the RTV Weekly Rate available after 10:00 A.M. New York City time on each RTV Rate Determination Date by telephone or Electronic Notice to the Bond Trustee and the Corporation, and to any Beneficial Owner requesting such rate.

(c) While a Bond is in an RTV Extension Period during the RTV Rate Period, the Bonds shall bear interest at the RTV Extension Rate. The Calculation Agent shall make the RTV Extension Rate available after 12:00 P.M. New York City time on the applicable RTV Rate Determination Date by telephone or Electronic Notice to the Bond Trustee and any Beneficial Owner requesting such rate.

(d) A Bond bearing interest at the RTV Extension Rate that is remarketed on a Mandatory Purchase Date during the RTV Rate Period shall bear interest at the applicable RTV Weekly Rate after such remarketing.

(e) The Corporation, by written notice delivered to the Remarketing Agent and the Bond Trustee on or before the applicable RTV Alternate Extension Rate Effective Date, may implement an RTV Alternate Extension Rate. Such notice shall indicate the applicable RTV Alternate Extension Rate (which may be any fixed or variable rate selected by the Corporation) and the RTV Alternate Extension Rate Effective Date for such RTV Alternate Extension Rate, and may indicate a termination date for the applicable RTV Alternate Extension Rate. The RTV Alternate Extension Rate specified in such notice shall become effective only if, together with such notice, the Corporation delivers to the Bond Trustee and the Remarketing Agent an Opinion of Bond Counsel that the implementation of such RTV Alternate Extension Rate is authorized by this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal

income taxation to which interest on the Bonds is otherwise entitled. Within one Business Day after receipt of such written notice and opinion, the Bond Trustee shall provide Electronic Notice, confirmed by first-class mail, in the name of the Corporation, a notice to the Holders, which notice shall state that the Corporation has selected an RTV Alternate Extension Rate and shall specify the details of such RTV Alternate Extension Rate, the applicable RTV Alternate Extension Rate Effective Date and, if applicable, the termination date of such RTV Alternate Extension Rate. Any such RTV Alternate Extension Rate shall be applicable in determining the RTV Extension Rate during any RTV Extension Period commencing on or after the applicable RTV Alternate Extension Rate Effective Date and before any applicable termination date for such RTV Alternate Extension Rate. The Corporation shall cause a notice stating that the Corporation has selected an RTV Alternate Extension Rate and specifying the details of such RTV Alternate Extension Rate, the applicable RTV Alternate Extension Rate Effective Date and, if applicable, the termination date of such RTV Alternate Extension Rate to be filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access service no later than one Business Day after its delivery to the Bond Trustee of the notice and Opinion of Bond Counsel described above.

(f) During any period in which an Event of Default has occurred and is continuing, a Bond in the RTV Rate Period shall bear interest at the Maximum Rate.

(g) During the RTV Rate Period, the Corporation shall notify the Calculation Agent, the Tender Agent and the Remarketing Agent by phone call and Electronic Notice of any change in any of the short-term ratings on the Bonds no later than the Business Day following the date on which the Corporation receives notice from the applicable Rating Agency of the applicable change or otherwise becomes aware of such change.

Section 202. Optional Tender of RTV Rate Bonds.

(a) Subject to Section 205 of this *Exhibit C*, the Beneficial Owners of Bonds in an RTV Rate Period may elect to have their Bonds (or portions of those Bonds in amounts equal to Authorized Denominations) purchased at a price equal to the Purchase Price, upon delivery of a written notice of tender to the Tender Agent (with a copy to the Remarketing Agent and the Bond Trustee) on any Business Day. The giving of such notice of tender shall constitute the irrevocable tender for purchase of such Bond on the Purchase Date for such Bond, if any, designated by the Remarketing Agent pursuant to Section 202(b) of this *Exhibit C* (an "RTV Optional Purchase Date"). As soon as practicable upon receipt of a notice of tender, but not later than Noon New York City time on the day following receipt of such notice, the Tender Agent shall give Electronic Notice to the Remarketing Agent, the Bond Trustee and the Corporation of the receipt of such notice of tender, the name of the Beneficial Owner and the principal amount of Bonds tendered.

(b) If the Remarketing Agent identifies a purchaser for a Bond for which a written notice of tender has been given during the period beginning on the Business Day such notice is received by the Remarketing Agent and ending on the applicable RTV Optional Purchase Deadline, the Remarketing Agent shall give Electronic Notice to the tendering Beneficial Owner, the Tender Agent, the Bond Trustee and the Corporation that a purchaser has been identified. Such notice shall designate the RTV Optional Purchase Date for such Bond, which shall be the

RTV Optional Purchase Deadline or any earlier Business Day designated by the Remarketing Agent. The Tender Agent shall purchase a Bond in an RTV Rate Period for which a notice of tender has been given on the applicable RTV Optional Purchase Date at the Purchase Price, but only with remarketing proceeds. If sufficient remarketing proceeds are not available for the purchase of such Bond on the applicable RTV Optional Purchase Date, then the applicable RTV Optional Purchase Date for such Bond shall be deemed to be rescinded, such Bond shall not be tendered or deemed tendered or required to be purchased on such date and no Event of Default shall occur as a result of the non-purchase of such Bond on such RTV Optional Purchase Date.

(c) If by 2:00 P.M. New York City time on an RTV Optional Purchase Date the Remarketing Agent despite its best efforts has been unable to remarket all Bonds to be purchased on such RTV Optional Purchase Date at par:

(1) The Remarketing Agent shall give Electronic Notice to the Bond Trustee, the Tender Agent, the Calculation Agent and the Corporation by 2:15 P.M. New York City time that such RTV Optional Purchase Date is deemed rescinded with respect to those Bonds for which funds to pay the applicable Purchase Price are unavailable and shall include in such notice the principal amount of Bonds that will not be purchased on such Purchase Date; and

(2) The Corporation shall promptly provide written notice to each Rating Agency then rating such Bonds of such rescission.

Section 203. Mandatory Purchase of RTV Rate Bonds

(a) In addition to the mandatory tender provisions set forth in Section 4.11 of the Bond Indenture, which are applicable to RTV Rate Bonds, RTV Rate Bonds shall be subject to mandatory tender for purchase on each RTV Rate Mandatory Purchase Date in accordance with the following provisions. The Tender Agent shall give notice of:

(1) Each RTV Extended Mandatory Purchase Date (other than an RTV Purchase Acceleration Date) for Bonds bearing interest at an RTV Extension Rate, by mail to the Holders of the applicable Bonds no less than fifteen (15) days prior to the applicable RTV Extended Mandatory Purchase Date;

(2) Each Corporation Elective Purchase Date for Bonds bearing interest at (i) an RTV Extension Rate, by mail to the Holders of the applicable Bonds no later than the Business Day after the applicable Corporation Elective Purchase Date and (ii) an RTV Weekly Rate, by mail to the Holders of the applicable Bonds no less than ten (10) days prior to the applicable Corporation Elective Purchase Date, or, if the RTV Weekly Rate is the Maximum Rate at the time such notice is given, by mail to the Holders of the applicable Bonds no later than the Business Day after the applicable Corporation Elective Purchase Date;

(3) The occurrence of a mandatory purchase other than on any applicable RTV Extended Mandatory Purchase Date by mail to the Holders of Bonds bearing interest at an RTV Extension Rate no later than the Business Day after the applicable Mandatory Purchase Date; and

(4) The occurrence of an RTV Purchase Acceleration Date by mail to the Holders of Bonds bearing interest at an RTV Rate no later than the Business Day after the applicable RTV Purchase Acceleration Date.

(b) The Corporation, by written notice delivered to the Remarketing Agent and the Bond Trustee and filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access service at least 35 days before the applicable RTV Alternate Extended Mandatory Purchase Date Effective Date may implement an RTV Alternate Extended Mandatory Purchase Date specified in such notice. The Bond Trustee shall mail a copy of such notice to the Holders at least 30 days before the applicable RTV Alternate Extended Mandatory Purchase Date Effective Date. The RTV Alternate Extended Mandatory Purchase Date specified in such notice shall become effective only if:

(1) On or before the applicable RTV Alternate Extended Mandatory Purchase Date Effective Date, the Corporation delivers to the Bond Trustee and the Remarketing Agent (i) an Opinion of Bond Counsel to the effect that the implementation of such RTV Alternate Extended Mandatory Purchase Date is authorized by this Bond Indenture and will not, in and of itself, adversely affect any exemption from federal income taxation to which interest on the Bonds is otherwise entitled and (ii) if the period from the commencement of an RTV Extension Sequence until the specified RTV Alternate Extended Mandatory Purchase Date would be a shorter period than the period from the commencement of an RTV Extension Sequence until the RTV Extended Mandatory Purchase Date or RTV Alternate Extended Mandatory Purchase Date in effect prior to the applicable RTV Alternate Extended Mandatory Purchase Date Effective Date, a written notice from any Rating Agency then rating such Bonds confirming that the unenhanced rating on the Bonds will not be lowered or withdrawn as a result of the action proposed to be taken, or, if only two such Rating Agencies are then rating such Bonds, from such two Rating Agencies; and

(2) the applicable RTV Alternate Extended Mandatory Purchase Date Effective Date is a Corporation Elective Purchase Date and all RTVs are purchased on such date.

(c) The Corporation shall cause a notice stating whether the conditions for the effectiveness of the RTV Alternate Extended Mandatory Purchase Date have been satisfied to be filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access service no later than one Business Day after the proposed RTV Alternate Extended Mandatory Purchase Date Effective Date, and shall deliver a copy of such notice to the Remarketing Agent and the Bond Trustee. The Bond Trustee shall promptly mail a copy of such notice to the Holders.

Section 204. RTV Extension Period for Unremarketed Bonds in the RTV Rate Period; Exchange for Applicable RTV Extension Sequence Bonds.

(a) In the case of a Bond bearing interest at an RTV Weekly Rate for which a written notice of tender has been delivered in accordance with Section 202(a) of this *Exhibit C* and which has not been remarketed in accordance with this Section 202(b) of this *Exhibit C* by the

applicable RTV Optional Purchase Deadline, if by 10:30 a.m., New York City time, on the first Business Day of the month following the applicable RTV Optional Purchase Deadline (or, if the applicable RTV Optional Purchase Deadline is the first Business Day of a month, by 10:30 a.m., New York City time, on such RTV Optional Purchase Deadline), the Remarketing Agent despite its best efforts has been unable to remarket all such Bonds and any Bonds then bearing interest at an RTV Extension Rate at par bearing interest at the RTV Weekly Rate (which best efforts shall include offering such Bonds for remarketing at an RTV Weekly Rate as high as the Maximum Rate if a lower interest rate is insufficient to remarket all such Bonds):

(1) the Remarketing Agent shall give Electronic Notice to the Bond Trustee, the Tender Agent, the Calculation Agent and the Corporation by 10:45 a.m., New York City time, that it has been unable to remarket all such Bonds, and shall include in such notice the principal amount of Bonds it has been unable to remarket;

(2) if the Remarketing Agent has found purchasers for some but not all of the tendered Bonds, the remarketed Bonds shall be selected in the following order of priority: (A) Bonds bearing interest at an RTV Extension Rate, and if the Remarketing Agent has found purchasers for some but not all of such Bonds, Bonds with an earlier RTV Extended Mandatory Purchase Date (treating, for this purpose, the original RTV Extended Mandatory Purchase Date as the applicable RTV Extended Mandatory Purchase Date for Bonds subject to mandatory purchase on an RTV Purchase Acceleration Date) shall be selected for remarketing prior to Bonds with a later RTV Extended Mandatory Purchase Date, and if less than all Bonds with an identical RTV Extended Mandatory Purchase Date (treating, for this purpose, the original RTV Extended Mandatory Purchase Date as the applicable RTV Extended Mandatory Purchase Date for Bonds subject to mandatory purchase on an RTV Purchase Acceleration Date) can be remarketed, the Bond Trustee shall by lot determine which of the Bonds with the applicable RTV Extended Mandatory Purchase Date shall be remarketed (provided that if the Bonds are in the book entry system, such determination shall be made in accordance with the procedures of the Securities Depository) and (B) Bonds bearing interest at an RTV Weekly Rate, and from such Bonds the Bond Trustee shall by lot determine which of the Bonds shall be remarketed (provided that if the Bonds are in the book entry system, such determination shall be made in accordance with the procedures of the Securities Depository);

(3) for each such unremarketed Bond that is not already an Applicable RTV Extension Sequence Bond, the Bond Trustee shall authenticate an Applicable RTV Extension Sequence Bond in a principal amount equal to the principal amount of such unremarketed Bond, register such Applicable RTV Extension Sequence Bond in the name in which the applicable unremarketed Bond is registered, obtain or request that the Corporation obtain or cause to be obtained a new CUSIP number for the Applicable RTV Extension Sequence Bond (and upon any such request the Corporation shall promptly obtain or cause to be obtained such new CUSIP number), cancel the applicable unremarketed Bond, and deliver the Applicable RTV Extension Sequence Bond to the Holder of such unremarketed Bond, and, with respect to Bonds held in the book entry system, shall instruct the Securities Depository to reduce the applicable positions of the Beneficial Owners in the unremarketed Bonds by the applicable principal amount of

unremarketed Bonds and credit a commensurate principal amount of the Applicable RTV Extension Sequence Bonds to the applicable Beneficial Owners;

(4) the Applicable RTV Extension Sequence Bonds delivered on such Interest Payment Date under Section 202(a)(3) of this *Exhibit C* above shall bear interest at the RTV Extension Rate commencing on such date; and

(5) the Bond Trustee shall promptly provide written notice to each Rating Agency then rating such Bonds of the commencement of the applicable RTV Extension Period and of the principal amount of the Bonds subject to such RTV Extension Period.

(b) Exchange of Applicable RTV Extension Sequence Bonds upon Remarketing. Upon the remarketing at an RTV Weekly Rate of any Applicable RTV Extension Sequence Bond on the applicable RTV Extended Mandatory Purchase Date or any preceding Mandatory Purchase Date, the Bond Trustee shall authenticate a Bond in a principal amount equal to the principal amount of such remarketed Bond, register such Bond in the name provided to the Bond Trustee by the Remarketing Agent, cancel the Applicable RTV Extension Sequence Bond, and deliver the applicable new Bond (which, if such new Bond bears interest at an RTV Weekly Rate, shall, unless otherwise requested in writing by the Remarketing Agent, have the same CUSIP number as the Bonds originally changed or converted to an RTV Weekly Rate) and, with respect to Applicable RTV Extension Sequence Bonds held in the book entry system, shall instruct the Securities Depository to reduce the applicable positions of the Beneficial Owners of the remarketed Applicable RTV Extension Sequence Bonds by the applicable principal amount of remarketed Bonds, commensurately increase the principal amount of the Bonds bearing interest at an RTV Weekly Rate held by the Securities Depository and credit a commensurate principal amount of such Bonds to the applicable Beneficial Owners purchasing the remarketed Bonds bearing interest at an RTV Weekly Rate.

EXHIBIT D
FORM OF
DIRECT PURCHASE PERIOD CONVERSION NOTICE

[DATE]

Wells Fargo Bank, National Association, as Bond Trustee
625 Marquette Avenue, 11th Floor
Minneapolis, Minnesota 55479
Attention: Corporate Trust Department

\$ _____
WASHINGTON HEALTH CARE FACILITIES AUTHORITY
REVENUE BONDS, SERIES 2015A
(Catholic Health Initiatives)

Ladies and Gentlemen:

Reference is hereby made to that:

A. Bond Trust Indenture (the "Bond Indenture"), dated as of August 11, 2015 (the "Date of Issue"), by and between the Washington Health Care Facilities Authority (the "Authority") and Wells Fargo Bank, National Association, as Bond Trustee;

B. Loan and Security Agreement (the "Loan Agreement"), dated as of the Date of Issue, by and between the Authority and Catholic Health Initiatives (the "Corporation"); and

C. Index Rate Agreement dated as of _____, 2015 (the "Index Rate Agreement") between the Corporation and _____, as purchaser (the "Index Rate Holder").

All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Bond Indenture.

The Corporation hereby elects, pursuant to Section 2.03(i)(2)(B) and 2.03(j)(2) of the Bond Indenture, to change the interest rate for the Bonds to a new Index Rate Period as follows:

1. Conversion Date: _____.
2. New Index Rate Period: _____.
3. New Index Rate Purchase Date: _____.
4. New Applicable Index: [SIFMA Swap Index] [[one/three/six] month LIBOR] .

5. New Applicable Factor: _____% (Note: As set forth in the definition of “Applicable Factor” in the Bond Indenture, if the Applicable Factor is being changed then such new Applicable Factor must be a rate that would allow the Index Rate resulting from application of such Applicable Factor to be a “qualified floating rate” within the meaning of Treas. Reg. Sec. 1.1275-5(c) or successor provision of the Code or Treasury Regulations (as of the Date of Issue, a rate that is higher than 0.65 and lower than 1.35).

6. New Applicable Spread: _____ basis points (____%)[; provided, however, that in the event that credit rating assigned by S&P or Moody’s to CHI Parity Debt is reduced or falls below [“_____” by Moody’s or “_____” by S&P], the number of basis points set forth opposite the rating set forth in the table below:

Credit Rating		Applicable Spread
S&P	Moody’s	
AA-	Aa3	
A+	A1	
A	A2	

In the event of a split rating (*i.e.*, any of S&P, Moody’s or Fitch has assigned an Obligor Rating that is in a different row than the Obligor Rating assigned by either of the other rating agencies), the Applicable Spread shall be the number of basis points associated with the row in which the lowest Obligor Rating appears. If the Obligor Ratings established or deemed to have been established by Moody’s, S&P and Fitch shall be changed, such change shall be effective as of the date on which it is first announced by the applicable Rating Agency, irrespective of when notice of such change shall have been furnished by the Corporation to the Index Rate Holders pursuant to this Bond Indenture or otherwise. Each change in the Applicable Spread shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

In the event of the adoption of any new or changed rating system by any of the Rating Agencies after the date of this Bond Indenture, including, without limitation, any recalibration or realignment of the Obligor Rating in connection with the adoption of a “global” rating scale, each rating referred to in the table above shall be deemed to refer to the Rating Category under the new rating system which most closely approximates the applicable Rating Category currently in effect.]

In accordance with Section 2.03(j)(4) of the Bond Indenture, the Corporation shall deliver to the Authority, the Bond Trustee, the Market Agent and the Index Rate Holder, on the proposed Conversion Date specified above an Opinion of Bond Counsel to the effect that the conversion is authorized by the Bond Indenture and, in and of itself, will not cause the interest on the Bonds to be includable in the gross income of Holders for federal income tax purposes.

Very truly yours,

CATHOLIC HEALTH INITIATIVES

By _____
Name _____
Title _____

The Index Rate Holder hereby agrees, subject to the satisfaction all requirements of the Bond Indenture, to purchase the Bonds in the new Index Rate Period upon the foregoing terms on the Conversion Date,

**[INSERT NAME OF INDEX RATE
HOLDER]**, as Index Rate Holder

By _____
Name _____
Title _____

EXHIBIT E
FORM OF INVESTMENT LETTER

[Date]

Washington Health Care Facilities Authority
Olympia, Washington

Wells Fargo Bank, National Association, as Bond Trustee
Minneapolis Minnesota

Hillis Clark Martin & Peterson P.S.
Seattle, Washington

WASHINGTON HEALTH CARE FACILITIES AUTHORITY
REVENUE BONDS, SERIES 2015A
(Catholic Health Initiatives)

Ladies and Gentlemen:

This letter will provide you with certain representations and agreements with respect to our purchase of the special fund revenue bonds referred to above (collectively, the "Bonds"), issued by the Washington Health Care Facilities Authority (the "Authority"), further described in that certain Bond Trust Indenture (the "Bond Indenture"), dated as of August 11, 2015, by and between the Authority and Wells Fargo Bank, National Association, as bond trustee.

Capitalized terms used but not otherwise defined herein shall have their respective meanings as given in the Bond Indenture.

In consideration of the sale of Bonds to us, and as an inducement thereto, we hereby represent and warrant to each of you and agree with each of you as follows:

1. The business of the undersigned is _____. We have sufficient knowledge and experience in financial and business matters, including the purchase and ownership of nonrecourse, tax-exempt revenue bonds and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by our purchase of the Bonds. We are able to bear the economic risk represented by our purchase of the Bonds.

2. We are purchasing the Bonds pursuant to a private placement transaction for our own account, but, subject to the transfer procedures set forth in the Bond Indenture, and compliance with applicable federal and state (including, but not limited to, State of Washington) law, we reserve the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Bonds or any interest therein at some future date determined by us. Additionally, we reserve the right to tender Bonds for purchase pursuant to the terms of the Bond Indenture.

3. We are familiar with, and have our own legal counsel who is familiar with, the federal and state (including, but not limited to, State of Washington) securities laws (including, but not limited to legislation, rules, regulations and case law) pertaining to the transfer and distribution of nonrecourse, tax-exempt revenue securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or distribution. We acknowledge that neither of you is under any obligation to assure that information sufficient to enable us to satisfy those obligations will be available in the future. We further acknowledge that the Bonds have not been registered under the securities laws of the United States of America or any state thereof.

4. We covenant and agree with each of you that we will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Bonds or any interest therein in violation of any applicable federal or state (including State of Washington) securities laws. We further covenant that, other than transfers to our Index Rate Holder Affiliates, if any, we will sell the Bonds only to an investor who will execute and deliver an Investment Letter in substantially the same form as this letter, and we understand that no transfer or re-registration of the ownership of the Bonds, other than transfers to our Index Rate Holder Affiliates, if any, will be recognized as effective or made by the Bond Trustee unless such signed Investment Letter has been delivered to the Bond Trustee, for transmittal to the Authority, accompanied by a signed instrument of transfer, in form and substance satisfactory to the Bond Trustee.

5. We understand that the Bonds are payable only from the Bond Fund, to be funded primarily from loan payments to be made by the Corporation pursuant to the Loan Agreement. We also understand that the Bonds are not an obligation, either general, special or moral, of the State of Washington, do not constitute a pledge of the faith and credit of the State of Washington, and are not general obligations of the Authority, and that neither the State of Washington nor the Authority has any obligation or legal authorization to levy any taxes or appropriate or expend any of its respective funds for the payment of the principal of, premium, if any, or interest on the Bonds. We further understand that the Bonds are secured only as described in the Bond Indenture.

6. We have been furnished with and have read and understood the Bonds, the Bond Indenture, the Loan Agreement and the Tax Agreement (collectively, the "Series 2015 Bond Documents").

7. We have made our own inquiry and analysis with respect to the Corporation, including, but not limited to, material factors affecting the creditworthiness of the Corporation and the likelihood of its payment of the Loan principal and interest payments backing the Bonds. We have been offered access to the Corporation and its property, all financial and other information relating to the Corporation and its business, as well as such other information as we deemed necessary or appropriate, as a prudent and knowledgeable investor, to evaluate the purchase of the Bonds. The Corporation has given us the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Bonds, the financing transaction and the Corporation.

8. We understand that the future financial condition of the Corporation could be adversely affected by various factors, including, but not limited to, federal and Washington State

health care reform initiatives, other federal and Washington State legislation and regulatory actions, competition from other housing and health care providers, demand for housing and health care services, demographic changes and liability claims.

9. Neither the Authority nor Hillis Clark Martin & Peterson P.S. has made any representation or warranty concerning the financial position or business condition of the Corporation, and neither of them has represented or warranted the correctness of any materials furnished by the Corporation in connection with our purchase of the Bonds.

10. We have not relied upon the Authority or Hillis Clark Martin & Peterson P.S. as to the accuracy or completeness of any information provided by the Corporation in connection with this transaction. We have made our decision to purchase the Bonds based solely upon the Series 2015 Bond Documents, the information provided by the Corporation, and our own inquiry and analysis.

11. To the maximum extent permitted by law, we agree to indemnify and hold harmless the Authority and its members, officers, employees, agents and affiliates, from any and all losses, claims, judgments, damages, liabilities, attorneys' fees and expenses of whatsoever nature, directly related to, caused by, arising out of or resulting from (a) any inaccuracy in any statement made by us in this letter agreement, (b) our sale, offer for sale, pledge, assignment, transfer, conveyance, hypothecation, mortgage or disposal of the Bonds or any interest therein in violation of applicable federal or state (including, but not limited to, State of Washington) securities law, or (c) our breach of any of our covenants herein.

12. We have satisfied ourselves that the Bonds may be legally purchased by us.

This letter shall be binding upon the undersigned and its successors and assigns.

Very truly yours,