

DELAWARE VALLEY REGIONAL FINANCE AUTHORITY
(Bucks, Chester, Delaware and Montgomery Counties, Pennsylvania)

TO

TD BANK, N.A.
as Trustee and as Successor to
Wilmington Trust Company

TRUST INDENTURE
Dated as of May 1, 2002,
Amended and restated as of August 3, 2009,
Amended as of June 30, 2011,
Amended and Restated as of June 9, 2014, and
Amended and Restated as of December 8, 2014

\$375,000,000 Local Government Revenue Bonds, Series of 2002

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TRUST INDENTURE

THIS TRUST INDENTURE (the “Indenture”) dated as of May 1, 2002, amended and restated as of August 3, 2009, amended as of June 30, 2011, amended and restated as of June 9, 2014, and amended and restated as of December 8, 2014, by and between the DELAWARE VALLEY REGIONAL FINANCE AUTHORITY (the “Issuer” or the “Authority”), a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania, TD BANK, N.A. (as successor to Wilmington Trust Company), a national banking association, and any Co-Trustee appointed by the Trustee or DelVal under Section 11.10 herein, as trustee (the “Trustee”).

Background

A. The Issuer is a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania pursuant to the *Municipality Authorities Act, 53 Pa. C.S. Ch. 56*, (the “Act”), having been duly organized by the Council of Delaware County and the Boards of County Commissioners of Bucks, Chester and Montgomery Counties (collectively, the “Counties”), all in the Commonwealth of Pennsylvania.

B. The Issuer was formed to undertake projects for (i) “Local Government Units,” as such term is defined in the *Local Government Unit Debt Act*, approved July 12, 1972, P.L. 781, as re-enacted on April 28, 1978, P.L. 124 and December 19, 1996, P.L. 1158 (the “Debt Act”), or (ii) other political subdivisions whose obligations to the Issuer are guaranteed by a Local Government Unit ((i) and (ii) each herein, a “Participant”) any such project undertaken by the Issuer to constitute a “Project” as such term is defined herein and in the *Debt Act*.

C. Pursuant to the *Act*, the Issuer may issue its bonds in furtherance of projects for, on behalf of, or guaranteed by Participants, and, as security for the payment of the principal of, and the interest on any such revenue bonds so issued, to pledge the revenues from any such projects or from any loans made by the Issuer.

D. In order to establish a program (the “Pooled Loan Program” or “Program”) to assist Participants, in financing or refinancing the acquiring, erecting, extending, improving, equipping or repairing Projects, the Issuer has authorized the issuance, sale and delivery of its Local Government Revenue Bonds, Series of 2002 in the aggregate principal amount of \$375,000,000 (the “Bonds”).

E. The proceeds of the sale of the Bonds shall be used to: (i) provide funds for Loans to Participants for the purpose of, and in order to assist the Participants in, financing or refinancing the acquisition, erecting, extending, improving, equipping or repairing Projects; (ii) fund a Debt Service Reserve Fund; and (iii) pay certain fees and costs incurred in connection with the foregoing and the issuance of the Bonds.

F. The Bonds shall be issued in a single series with interest, payable as provided herein.

G. The Issuer has determined that in order to achieve the lowest borrowing costs for Participants and to meet the management objectives of the Participants, the Loans may bear interest at a variable rate of interest or at a fixed interest rate.

H. In order to provide variable interest rate and fixed interest rate loans to Participants at the lowest possible cost, the Issuer may, at such date as is designated by the Issuer, enter into one or more Swap Agreements with the Swap Counterparty.

I. Until the proceeds of the Bonds deposited with the Trustee for the purpose of acquiring Loans are disbursed for such purposes, they shall be invested as directed herein by the Trustee pursuant to an Investment Agreement (as defined herein).

J. The Bonds shall be issued under and secured by this Indenture, and the Issuer is empowered and authorized to execute and deliver this Indenture and the Loan Agreements (as hereinafter defined) and to do or cause to be done all acts provided or required herein or therein to be performed on its part.

K. The Bonds and the authentication certificate are to be substantially in the form, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture, as set forth in Exhibit "A" hereto.

L. All things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid, binding and legal obligations of the Issuer according to the terms thereof, and to constitute this Indenture a valid assignment and pledge of the Revenues (as hereinafter defined) pledged to the payment of the principal and redemption price of and interest on the Bonds and a valid assignment and pledge of the rights of the Issuer in the Swap Agreements, the Investment Agreement, and the Loan Agreements, and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

The Issuer, intending to be legally bound hereby, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the holders thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to (i) secure, equally and ratably, the payment of the principal and redemption price of and interest on the Bonds according to their tenor and effect and the obligations, other than Termination Payments, of the Issuer arising under or in connection with the Swap Agreements, if any, should the Issuer enter into any Swap Agreement with a Swap Counterparty and (ii) secure the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds, does hereby grant, bargain, sell, convey, assign and pledge unto the Trustee, and its respective successors in trust and assigns forever, a security interest in and lien upon, the following (the "Trust Estate"), subject in all cases to the provisions of this Indenture permitting the application thereof for the purposes and on the terms set forth in this Indenture:

GRANTING CLAUSE FIRST

All right, title and interest of the Issuer in the Revenues, the Participant Notes and the Loan Agreements, including all extensions and renewals of any of the terms of the Loan Agreements, if any, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect and receive all payments of principal, interest,

and other sums payable to or receivable by the Issuer under or due to its ownership of any interest in the Participant Notes and the Loan Agreements, all rights to bring actions and proceedings under the Loan Agreements or for the enforcement thereof or of the Participant Notes, and all rights to do any and all things which the Issuer is or may become entitled to do under or due to its ownership of the Loan Agreements, other than the rights of the Issuer to indemnification or payment of expenses under Section 5.11 of the Loan Agreement; and

GRANTING CLAUSE SECOND

All right, title and interest of the Issuer in and under the Swap Agreements, if any, and the Revenues therefrom, including all extensions and renewals of any of the terms of the Swap Agreements, if any, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect and receive all payments, including without limitation, scheduled Swap Receipts, if any, Termination Payments and other sums payable to or receivable by the Issuer under or due to its ownership of any interest in the Swap Agreements, all rights to bring actions and proceedings under the Swap Agreements or for the enforcement thereof, and all rights to do any and all things which the Issuer is or may become entitled to do under or due to its ownership of the Swap Agreements, other than the rights of the Issuer to indemnification or payment of expenses under the Swap Agreements; and

GRANTING CLAUSE THIRD

All right, title and interest of the Issuer in and under the Investment Agreement, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect and receive all payments therein and other sums payable to or receivable by the Issuer under or due to its ownership of any interest in the Investment Agreement, all rights to bring actions and proceedings under the Investment Agreement or for the enforcement thereof, and all rights to do any and all things which the Issuer is or may become entitled to do under or due to its ownership of the Investment Agreement, other than the rights of the Issuer to indemnification or payment of expenses under the Investment Agreement;

GRANTING CLAUSE FOURTH

All right, title and interest of the Issuer in the Eligible Credit Enhancement; and

GRANTING CLAUSE FIFTH

All moneys and securities (including the investment income therefrom) and all other property of every kind and of every name and nature which are now or from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for security hereunder to the Trustee by the Issuer or by anyone on its behalf, or with its written consent or as otherwise permitted hereunder, and all cash and securities now or hereafter held in the Funds (excluding the Revenue Fund and the Discretionary Fund to the extent provided in the Covenant Agreement) created or established under this Indenture, and all investment earnings thereon;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in trust and assigns forever,

such Trust Estate to be held by the Trustee as provided in this Indenture; subject, however, to the terms and provisions of this Indenture and the Loan Agreements permitting the application thereof for the purposes provided herein and therein, for (i) the equal and pro rata benefit and security of each and every holder of the Bonds and the payment of the Swap Payments owing by the Issuer under the Swap Agreements, if any, without preference, priority or distinction as to participation in the lien, benefit and protection hereof for any other reason whatsoever, except as herein otherwise expressly provided, so that each and all of such Bonds and Swap Payments shall have the same right, lien and privilege under this Indenture and shall be equally secured hereby with the same effect as if the same had all been made, issued and negotiated simultaneously with the delivery hereof; and (ii) the payment of the fees and expenses of the Trustee, the Program Administrator and the Issuer.

AND IN FURTHERANCE OF THE FOREGOING, but subject to the foregoing provisions of these granting clauses and the further provisions of this Indenture, the Issuer hereby unequivocally authorizes and empowers the Trustee, as appropriate, in its own name, or in the name of its nominee, or in the name of, or as attorney-in-fact for, the Issuer, to ask, demand, sue for, collect and receive any and all payments to which the Issuer is or may become entitled under any of the Loan Agreements, or other collateral, and to ensure compliance by each and every party to each and every such agreement or contract with all or any of the terms and provisions thereof to which such person is a party;

AND PROVIDED, FURTHER, the Trustee agrees to accept receipt of and hold subject to the provisions hereof each executed Loan Agreement and declares and agrees that it holds and shall hold as fiduciary for the sole benefit of the holders of the Bonds, the Trustee, the Swap Counterparty, if any, and the others entitled to the benefits thereof, such Loan Agreements;

PROVIDED, HOWEVER, that if (i) the Issuer shall pay or cause to be paid the principal of and interest on all of the Bonds at the times and in the manner provided in the Bonds, or shall provide for the payment thereof in accordance with Article IX hereof, and shall otherwise comply with Article IX hereof, and all Swap Payments have been made to the Swap Counterparty, if any, and (ii) all amounts due to the Trustee have been paid or provision for payment thereof satisfactory to the Trustee shall have been made, then the lien of this Indenture shall cease, terminate and be void as provided in Article IX hereof, otherwise this Indenture shall be and remain in full force and effect; and

THIS TRUST INDENTURE FURTHER WITNESSETH, and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interest, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the Issuer has agreed and covenants, and does hereby agree and covenant, with the Trustee and the respective holders, from time to time, of the Bonds, as follows:

ARTICLE I.
DEFINITIONS AND RULES OF INTERPRETATION

Section 1.01 **Definitions.**

Terms defined in the recitals shall have the meanings set forth therein. The following words and phrases shall have the following meanings, unless the context otherwise requires.

“Accountant” or “Accountants” means an independent certified public accountant or a firm of independent certified public accountants to whom the Trustee makes no objection.

“Acquisition Fund” means the fund by that name created pursuant to Section 5.02 hereof.

“Acquisition Fund Termination Date” means June 18, 2005, unless extended as a result of the Issuer’s receipt of a Favorable Opinion of Bond Counsel.

“Administrative Fees and Expenses” means any expenditures of the Issuer reasonably and necessarily incurred by the Issuer by reason of its issuance of the Bonds or for the Program, as determined by the Administrator, including, without limitation, Compliance Charges, auditing fees and expenses, Termination Payments, Extraordinary Payments, non-asset bond costs, costs associated with rebate compliance, the fees and expenses of the Trustee, the Administrator and the Rebate Analyst, all other legal, financing and administrative expenses incurred by the Issuer with respect to the Program, the maintenance of prudent levels of liquidity to provide sufficient levels of operating cash flow, as determined by the Program Administrator and any expenses incurred by the Issuer or the Trustee to compel full and punctual performance of all the provisions of the Indenture, the Loan Agreements or the Participant Notes.

“Administrator” or “Program Administrator” means initially Calhoun, Baker Inc. and any successor Administrator (which may include the Issuer) duly appointed by the Issuer and acting as Administrator hereunder; provided, however that the Issuer, as Administrator, may hereafter delegate to any person, firm or corporation qualified to do business in the State as servicing agent, any of the duties and responsibilities of the Administrator hereunder, upon written notice thereof to the Trustee.

“Agency Obligations” means direct obligations (including bonds, notes or certificates of participation) of, or obligations the timely payment of the principal of and the interest on which are unconditionally guaranteed by, any agency or instrumentality of the United States of America.

“Agreement Default” or “Loan Agreement Default” shall have the meaning assigned in Section 7.1 of each Loan Agreement.

“Agreement Term” or “Loan Agreement Term” means the term of a Loan Agreement provided for in such Agreement.

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

“Authorized Officer” means (a) in the case of the Issuer, any person or persons designated to act on behalf of the Issuer, and when used with reference to any act or document also means any officer of the Issuer authorized by resolution of the Issuer to perform such act or execute such document; (b) in the case of the Administrator, shall mean the person or firm designated in an instrument executed by the Issuer and the Administrator and filed with the Trustee specifying the authority and scope of authorization for such person to act and to execute documents on behalf of the Administrator; (c) in the case of a Participant, any person or persons authorized pursuant to the charter, an ordinance, or a resolution of the governing body of such Participant to perform such act or execute such document; and (d) in the case of the Trustee, any President, Vice President, any Assistant Vice President, any Trust Officer or any Assistant Trust Officer thereof, and when used with reference to any act or document also means any other person authorized to perform such act or execute such document by or pursuant to the charter, by-laws or a resolution of the governing board thereof.

“Bankruptcy Code” means the United States Bankruptcy Code, Title 11 of the United States Code, or similar bankruptcy or insolvency act.

“Bankruptcy Counsel” means any counsel nationally recognized in bankruptcy matters that is independent of the Issuer and the Participants and is reasonably acceptable to the Trustee.

“BMA Calculation Agent” or “Municipal Calculation Agent” means, initially, the Program Administrator, or any successor thereto as may be approved by the Issuer for the purpose of calculating and determining the BMA Index.

“BMA Index” or “Municipal Swap Index” means the rate of interest established as the weekly high grade market index comprised of 7-day tax-exempt variable rate demand notes, published weekly and reset each Wednesday by BMA-Municipal Market Data as the BMA Municipal Swap Index, all as determined by the BMA Calculation Agent pursuant to the Swap Agreements, if any, and in the event such rate is no longer determined, any replacement thereof approved by the Administrator.

“Bond” or “Bonds” means Delaware Valley Regional Finance Authority Local Government Revenue Bonds, Series of 2002 issued pursuant to this Indenture.

“Bond Counsel” means Blank Rome Comisky & McCauley, LLP, or any law firm subsequently designated by the Issuer having a reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds and which is reasonably acceptable to the Trustee.

“Bondholder” or “holder of Bonds” or “Owner” or “Owner of Bonds” means, except for certain purposes described in Section 12.02, (i) in the event that the book-entry system of evidence and transfer of ownership is employed pursuant to Section 2.08, Cede & Co., as nominee for DTC, or its successors, and (ii) in all other cases, the registered owner of any Bond.

“Bond Purchase Agreement” means that certain agreement between the Issuer and the Underwriter providing for the purchase by the Underwriter of the Bonds upon payment of the purchase price and satisfaction of the conditions set forth therein for the initial issuance thereof.

“Bond Year” means, when used in the context of the rebate requirement imposed under Section 148(f) of the *Code* with respect to the Bonds, each one-year period beginning on the day after the expiration of the preceding Bond Year (except that the last Bond Year shall end on the date on which the Bonds mature). The first Bond Year shall be the period beginning on the date on which the Bonds are issued and ending on the anniversary date of the Closing of the Bonds.

“Business Day” means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, or the city or cities in which the corporate trust office of the Trustee is authorized by law or executive order to close or (c) a day on which the New York Stock Exchange is closed.

“Cede & Co.” means Cede & Co., the nominee of DTC or any successor nominee of DTC with respect to the Bonds.

“Certificate,” “statement,” “request,” “requisition” and “order” mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the Issuer, the Trustee or a Participant by an Authorized Officer of the Issuer, the Trustee or such Participant, respectively. 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 instruments so combined shall be read and construed as a single instrument.

“Closing” means the date on which a Participant executes and delivers a Loan Agreement and proceeds of the Bonds are transferred to the Acquisition Fund.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated or proposed thereunder.

“Commencement Date” means the date when the term of a Loan Agreement begins and the obligation of the Participant thereunder to make Repayments begins to accrue.

“Compliance Charges” mean amounts payable by the Participants under the Loan Agreements and Participant Notes in respect of compliance with the disclosure requirements of Rules 10b-5 and 15c(2)-12 of the Securities and Exchange Commission.

“Cost” means cost, as defined in the Act and herein, including but not limited to cost of the acquisition of all lands, structures, rights-of-way, franchises, easements and other property rights and interests acquired by the Issuer or a Participant for a Project; the cost of demolishing, removing or relocating any buildings or structures on lands so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved or relocated; the cost of all labor, materials, machinery and equipment, financing charges, interest prior to and during construction and for such a limited period after completion of such construction as may be approved by the Issuer (not to exceed one year after completion of the Project); the cost of engineering, financial and legal services, plans, specifications, studies, surveys, estimates of costs and revenues, other expenses necessary or incident to determining the feasibility or practicability of constructing a Project, Administrative Fees and Expenses; and such other

expenses as may be necessary or incident to the construction of a Project, the financing of such construction and the placing of such Project in operation.

“Cost of Issuance Fund” means the fund by that name created by Section 5.02 hereof.

“Counsel” means (a) an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to or an employee of, the Issuer, the Trustee, or any Participant) duly admitted to practice law before the highest court of any state or (b) any other counsel satisfactory to the Issuer and the Administrator.

“Covenant Agreement” means that certain undertaking by the Authority for the benefit of all present and future outstanding bond and swap obligations of the Authority dated April 9, 2001, and amended and restated as of April 23, 2002, April 12, 2004, June 28, 2007, and August 3, 2009.

“Debt Service Reserve Fund” means the fund by that name created pursuant to Section 5.02 hereof.

“Default” and “Event of Default” mean any occurrence or event specified in Section 10.01.

“Discretionary Fund” means the fund by that name created pursuant to Section 5.02.

“DTC” or “Securities Depository” means The Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

“DTC Participant” or “DTC Participants” means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC system.

“Eligible Credit Enhancement” means, with respect to a Loan, a municipal bond insurance policy, financial guaranty insurance policy, or a letter of credit, or other enhancement issued by an Eligible Credit Enhancer to secure the Repayments, other than Termination Payments, of a Participant under its Loan Agreement.

“Eligible Credit Enhancer” means a municipal bond insurer or other financial institution with claims paying ability ratings (or equivalent ratings) of “Aa3” or higher by Moody’s and “AA-” or higher by S&P that provides Eligible Credit Enhancement.

“Eligible Investment” means any of the following; provided that such investment at the time of the making thereof, meets the criteria for long-term, senior, unsecured debt ratings (or equivalent ratings) of “Aa3” or higher by Moody’s and “AA-” or higher by S&P.

(a) The following are permitted for all purposes, including defeasance investments in refunding escrow accounts:

(i) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in Paragraph (b) below), or

(ii) Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.

(b) The following are permitted for all purposes other than defeasance investments in refunding escrow accounts:

(i) Obligations of any of the following federal agencies, which obligations represent the full faith and credit of the United States of America, including:

- Export-Import Bank
- Farm Credit System Financial Assistance Corporation
- Rural Economic Community Development Administration (formerly the Farmers Home Administration)
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHAs)
- Federal Housing Administration
- Federal Financing Bank;

(ii) Direct obligations of any of the following federal agencies, which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- Senior debt obligations rated “Aaa” by Moody’s and “AAA” by S&P issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
- Obligations of the Resolution Funding Corporation (REFCORP)
- Senior debt obligations of the Federal Home Loan Bank System
- Senior debt obligations of other Government Sponsored Agencies approved by AMBAC;

(iii) U.S. dollar denominated deposit accounts, federal funds and bankers’ acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of “A-1” or “A-1+” by S&P and “P-1” by Moody’s and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.);

(iv) Commercial paper which is rated at the time of purchase at least “A-1” by S&P and “P-1” by Moody’s and which matures not more than 270 days after the date of purchase;

(v) Investments in a money market fund rated “AAAm” or “AAAm-G” or better by S&P;

(vi) Pre-refunded Municipal Obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option

of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

- (A) which are rated, based on an irrevocable escrow account or fund (the “escrow”), in the highest rating category of S&P and Moody’s or any successors thereto; or
- (B) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in Subparagraph (A) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (II) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(vii) Bonds or notes issued by any state or municipality which are rated by Moody’s and S&P in one of the two highest rating categories assigned by such agencies.

(viii) Investment agreements with an Investment Agreement Provider, approved in writing by the Administrator, supported by appropriate opinions of counsel, with notice to the Rating Agencies; and

(ix) Other forms of investments (including repurchase agreements) approved in writing by the Administrator with notice to the Rating Agencies.

(c) The value of the above investments shall be determined as follows: “Value”, which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(i) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(ii) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(iii) As to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and

(iv) As to any investment not specified above: the value thereof established by prior agreement among the Issuer, the Trustee and the Administrator.

“Extraordinary Payment” means (a) any arbitrage rebate payments that may be required in connection with a subsequent change in the interpretation or application of federal tax law to the Bonds or (b) payments made pursuant to a negotiated closing agreement reached with the Internal Revenue Service in order to maintain the tax-exempt status of interest on the Bonds.

“Favorable Opinion of Bond Counsel” means, when used with respect to or in connection with any action, a written opinion of Bond Counsel or Special Tax Counsel to the effect that such action or failure to take action shall not adversely affect the excludability of interest paid on the Bonds from gross income for federal or State income tax purposes.

“Funds” means the funds and accounts created pursuant to Article V.

“Government Obligations” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein: direct general obligations of, or obligations the timely payment of the principal of and interest on which is unconditionally guaranteed by, the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America).

“Gross Proceeds” shall have the meaning set forth in Section 148 of the Code.

“Guarantee” means a guarantee of timely Repayments of a Participant, other than a Participant which is a Local Government Unit, executed by a Guarantor.

“Guarantor” means a Local Government Unit that pledges its full faith, credit and taxing power to guarantee the timely Repayments of a Participant, other than a Participant which is a Local Government Unit.

“Indenture” means this Trust Indenture, including the Exhibits hereto, and all supplements and amendments hereto.

“Initial Amount” means the initial principal amount of a Loan.

“Interest Payment Date” means the first day of January and July of each year commencing January 1, 2003.

“Investment Agreement” or “Investment Agreements” means initially, the Investment Agreement or Investment Agreements entered into on the date of issuance of the Bonds, and any written investment agreement or repurchase agreement relating to the Bonds hereafter entered into by the Trustee for the purpose of investing moneys deposited in certain of the Funds, which investment agreement or repurchase agreement, and any amendments thereto or replacements thereof, is subject to the approval of the Issuer.

“Investment Agreement Default” means the failure of the provider of the Investment Agreement to make the payments required thereunder when due.

“Investment Agreement Guarantor” means a financial institution with long-term, senior, unsecured debt ratings (or equivalent ratings) of “Aa3” or higher by Moody’s and “AA – ” or higher by S&P that guarantees the obligations of the Investment Agreement Provider.

“Investment Agreement Provider” means a financial institution with long-term, senior, unsecured debt ratings (or equivalent ratings) of “Aa3” or higher by Moody’s and “AA – ” or higher by S&P, or with a guaranty from an Investment Agreement Guarantor, which provides an Investment Agreement.

“Lendable Proceeds” means the sum of the amounts initially deposited in the Acquisition Fund.

“Liquidation Proceeds” means amounts received by the Trustee or the Issuer in connection with enforcement of any of the remedies under a Loan Agreement after the occurrence of a Loan Agreement Default which has not been waived or cured.

“Loan” means a loan of a portion of the proceeds of the Bonds to a Participant pursuant to the terms of a Loan Agreement, through the purchase by the Trustee of the Participant Note evidencing the Participant’s obligations to repay principal and interest on such loan.

“Loan Agreement” or “Agreement” means an agreement, including the exhibits attached thereto, which is entered into by the Issuer and a Participant pursuant to this Indenture, and which is in form and substance similar to the form set forth as Exhibit “C” hereto, except to the extent modified pursuant to Section 6.08 or Article XIII hereof. The term “Loan Agreement” shall also include the Participant Note and the Participant Resolution.

“Loan Agreement Default” means any Event of Default, as therein defined, under a Loan Agreement.

“Loan Payment Date” means the 25th day of the month or, if that date is not a Business Day, the next succeeding Business Day.

“Loan Payment Period” means, for portions of the Loan bearing interest at the Loan Weekly Rate, the period beginning on the first Thursday of the month (except for the first Loan Payment Period which shall begin on the date of the closing of the Loan) and ending on the first Wednesday of the subsequent month and shall mean, for portions of the Loan bearing interest at the Loan Fixed Rate, the period beginning on the 25th day of the month (except for the first Loan Payment Period which shall begin on the day of the closing of the Loan) and ending on the 24th day of the subsequent month.

“Loan Rate” means the rate of interest specified on a Loan.

“Loan Fixed Rate” means the fixed rate borne by certain Loans as provided in Section 6.01 hereof.

“Loan Weekly Rate” means the variable rate of interest, based upon the BMA Index and the Swap Rates, borne by the Loans, established weekly in accordance with Section 6.04 hereof.

“Loan Weekly Rate Period” means each period during which a Loan Weekly Rate is in effect.

“Maximum Rate” means the lesser of (a) the highest interest rate that may be borne by the Loans under State law, or (b) 15% per annum.

“Monthly Finance Charge” means the charges from time to time made to a Participant representing such Participant’s allocable share of the Administrative Fees and Expenses, including any adjustments required to be made to any prior Monthly Finance Charges.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Moody’s shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer, by notice to the Trustee.

“Municipal Obligations” means obligations of state or local governments, the interest on which is excluded from gross income for federal income tax purposes under the provisions of Section 103 of the Code, which are not private activity bonds under the Code, and which are either not callable or redeemable prior to maturity or are prerefunded pursuant to an irrevocable agreement providing for payment thereof at maturity or at a redemption date as to which irrevocable instructions have been given for redemption thereof on such date.

“Opinion of Counsel” means an opinion in writing of Counsel.

“Optional Prepayment Price” means the principal amount of a Participant Note plus accrued interest thereon to the date of prepayment, plus premium, if any, and any Termination Payment in connection with such optional prepayment, pursuant to the provisions of Section 6.01 of a Loan Agreement which a Participant may pay the Trustee in order to prepay in whole or in part its Repayments. Payment of the Optional Prepayment Price shall not discharge the Participant from its obligations to make payments of any Administrative Fees or Compliance Charges which are accrued and unpaid as of the date of such Prepayment.

“Outstanding” or “Bonds Outstanding” means the sum of the principal amount of Bonds which have been authenticated and delivered by the Trustee under this Indenture except: (a) Bonds canceled or purchased by or delivered to the Trustee for cancellation pursuant to the provisions of this Indenture; (b) Bonds that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment, including interest accrued to the due date, of which sufficient moneys are held by the Trustee; (c) Bonds deemed paid by Section 9.01; and (d) Bonds in lieu of which others have been authenticated under Section 2.08 (relating to registration and exchange of Bonds) or Section 2.07 (relating to mutilated, lost, stolen or destroyed Bonds).

“Outstanding Balance” means the outstanding and unpaid principal balance of a Participant Note on a Loan.

“Parity” means an excess of (a) the sum of (i) cash, cash equivalents and investments; (ii) restricted cash, cash equivalents and investments (other than deposits in the Rebate Fund); (iii) accrued income from Loans, investments and Swap Agreements; (iv) prepaid expenses; and

(v) the outstanding principal amounts of the Loans; over (b) the sum of (i) the principal of the Bonds Outstanding and (ii) the accrued expenses of the Bonds, Swap Agreements (other than Termination Payments), Rebate Amount and/or Yield Reduction Amount and other Administrative Fees and Expenses.

“Participant” means and includes (i) a Local Government Unit located in the Commonwealth, that is legally authorized to borrow money for a Project under the provisions of the *Debt Act*, that executes a Loan Agreement and Participant Note pursuant to this Indenture and that pledges its full faith, credit and taxing power to guarantee its obligations under the Participant Note and Loan Agreement in accordance with the provisions of the *Debt Act* and otherwise covenants to pay amounts due under a Loan Agreement and a Participant Note, (ii) a political subdivision located in the Commonwealth, that is legally authorized to borrow money for a Project under the provisions of the *Debt Act* or the *Act*, and that executes a Loan Agreement and Participant Note pursuant to this Indenture which Loan Agreement and Participant Note are guaranteed by a Guarantor, in accordance with the provisions of the *Debt Act*, and (iii) a political subdivision located in the Commonwealth, that is legally authorized to borrow money for a Project under the provisions of the *Debt Act* or the *Act*, that executes a Loan Agreement and Participant Note pursuant to this Indenture, and that has a written agreement with a Local Government Unit that will remain in effect for the term of the Loan Agreement and Participant Note and pursuant to which such Local Government Unit has agreed to pay on a current obligation basis, or otherwise, all amounts necessary to enable such entity to pay, *inter alia*, in each fiscal year thereof all debt service on indebtedness incurred in connection with a Project.

“Participant Note” means the note executed and delivered by each Participant to evidence its obligation to make all payments under a Loan Agreement.

“Participant Resolution” means the ordinance enacted or the resolution adopted by a Participant, in accordance with the provisions of the *Act* or the *Debt Act*, authorizing the issuance of the Participant Note and the sale thereof to the Issuer, and approving the execution and delivery of the Participant’s Loan Agreement.

“Participant Tax Compliance Agreement” means a Tax Compliance Agreement between the Authority and a Participant (new money project, refunding project, recycling project or combined new money project and refunding project, as applicable) concerning compliance with the provisions of Section 103(a) of the Code, executed by a Participant in connection with its execution of a Loan Agreement.

“Paying Agent” means the Trustee as paying agent for the Bonds, or any successor thereto named by the Issuer to act as Paying Agent.

“Payment Date” means each date upon which a payment is due for principal, interest, or redemption price of Bonds, and each date upon which a Swap Payment or Termination Payment is due under the Swap Agreements, if any.

“Permitted Investment Rate” means that rate determined from time to time by the Rebate Analyst or Bond Counsel to be the permitted arbitrage yield on the Bonds under Section 148 of the Code.

“Person” means (a) any individual, (b) any corporation, partnership, limited liability company, joint venture, association, joint-stock company, business trust or unincorporated organization or grouping of any such entities, in each case formed or organized under the laws of the United States of America, any state thereof or the District of Columbia or (c) the United States of America or any state thereof, or any political subdivision of any thereof, or any agency, authority or other instrumentality of any of the foregoing.

“Project” means a project, as defined in the *Debt Act*, and which constitutes the acquisition, extension, erection, improvement, equipping or repair of any buildings, structures, equipment and improvements constituting a capital project of a Participant, all or a portion of the Cost of which is financed or refinanced by the Issuer pursuant to this Indenture and a Loan Agreement.

“Rating Agency” means Moody’s, if such agency’s ratings are in effect with respect to the Bonds, and S&P, if such agency’s ratings are in effect with respect to the Bonds, and their respective successors and assigns.

“Rebate Amount” means 100% of the amount required to be rebated on Gross Proceeds to the United States Treasury pursuant to Section 148(f)(2) of the Code.

“Rebate Analyst” means Calhoun, Baker Inc., or such other law firm or accounting firm specializing in federal arbitrage “rebate” matters under Section 148(f) of the Code.

“Rebate Fund” means the fund of that name created by Section 5.02 hereof.

“Record Date” means the 15th day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

“Recycling Fund” means the fund of that name created pursuant to Section 5.02 hereof.

“Recycling Termination Date” means, with respect to each receipt of Repayments of principal of a Loan, the earlier of (i) the date on which the Issuer no longer reasonably expects to originate Loans and (ii) a period of one year following each Repayment, beginning on June 18, 2006.

“Redemption Fund” means the fund created by Section 5.02 hereof.

“Repayments” means the payments of principal of, premium, if any, and interest on the Participant Notes, Termination Payments, if any, and any other amounts payable by a Participant pursuant to the provisions of a Loan Agreement, including Monthly Finance Charges.

“Reserve Requirement” means, with respect to the Bonds, an amount equal to the lesser of (a) the Maximum Annual Debt Service Requirement on all Bonds Outstanding or (b) 125% of the Average Annual Debt Service Requirement on all Bonds Outstanding; provided that the amount deposited at the time of the issuance of the Bonds shall not exceed 10% of the principal amount of the Bonds. The Reserve Requirement shall be subject to reduction from time to time to an amount equal to the lesser of (a) or (b) above. For the purposes of this definition “Average Annual Debt Service Requirement” shall mean, as of the date of calculation, the amount obtained

by dividing (a) the total Debt Service Requirement on all Bonds Outstanding payable over the remaining term of the Bonds by (b) the number of Fiscal Years or portions thereof during such remaining term. For the purposes of this definition “Maximum Annual Debt Service Requirement” shall mean an amount equal to the highest annual Debt Service Requirement to be paid during the then current or any succeeding Fiscal Year over the remaining term of the Bonds, on all Bonds Outstanding as of the date of such determination and “Debt Service Requirement” shall mean the total debt service on the Bonds to be paid in each year on all Bonds Outstanding as of the date of such determination.

“Revenue Fund” means the fund of that name created by Section 5.02 hereof.

“Revenues” means all income, revenues, issues, profits and other sums of money and funds (other than amounts on deposit in the Rebate Fund) referred to in the Granting Clauses hereof, including, without limitation, all Repayments, Liquidation Proceeds, Optional Prepayment Prices, Swap Receipts and amounts received by the Issuer and the Trustee as Termination Payments.

“S&P” means Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, S&P shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer, by notice to the Trustee.

“Special Tax Counsel” means a law firm, if any, subsequently designated by the Issuer having a national reputation in the field of federal taxation of Municipal Obligations, whose opinions are generally accepted by purchasers of municipal bonds and which is reasonably acceptable to the Trustee.

“State” means the Commonwealth of Pennsylvania.

“Swap Agreements” means the written agreements approved as to form and substance by the Administrator and the Eligible Credit Enhancer for the Loan to which such Swap Agreement relates, which may be entered into, from time to time, between the Issuer and a Swap Counterparty.

“Swap Counterparty” means (i) individually and collectively, one or more financial institutions which execute a Swap Agreement and which, at the time of execution of the Swap Agreement, by itself or as a result of a guarantee of a Swap Guarantor, has long-term, senior, unsecured debt ratings from two or more Rating Agencies in the “AA” category (or equivalent ratings) or higher or (ii) any financial institution which (a) replaces an existing Swap Counterparty or (b) is added as an additional Swap Counterparty where the existing Swap Counterparty is not replaced, in either event, under circumstances where any existing Swap Counterparty, whether or not replaced, is unwilling or unable to execute any new Swap Transactions or in the case of (b) is added as an additional Swap Counterparty to, as determined by the Administrator, mitigate counterparty risk by limiting the exposure of DelVal to the Swap Counterparties, which in either case would affect the ability of DelVal to achieve its programmatic objectives of providing variable interest rate and fixed interest rate loans to

Participants at the lowest possible cost, which additional Swap Counterparty, at the time of execution of the initial Swap Agreement between such additional Swap Counterparty and DelVal, has long term, senior unsecured debt ratings (or equivalent ratings) from the Rating Agencies which are no lower than the unsecured debt ratings on an existing Swap Counterparty (or its Swap Guarantor).

“Swap Guarantor” means (i) a financial institution, which guarantees the obligations of a Swap Counterparty under a Swap Agreement, with long-term, senior, unsecured debt ratings from two or more Rating Agencies in the “AA” category (or equivalent ratings) or higher, at the time of execution of such Swap Agreement and (ii) a financial institution, which guarantees the obligations of a replacement Swap Counterparty or an additional Swap Counterparty described in clause (ii) of the definition of Swap Counterparty, and which, at the time of execution of the replacement or additional Swap Agreement, has long term, senior unsecured debt ratings (or equivalent ratings) from the Rating Agencies which are no lower than the unsecured debt ratings on the Swap Counterparty (or its Swap Guarantor) being replaced or augmented.

“Swap Payment” means, under a Swap Agreement, an amount payable to a Swap Counterparty equal to the amounts accruing on the notional amount specified in such Swap Agreement at a variable rate or a fixed rate computed in accordance with such Swap Agreement, but excluding any Termination Payment.

“Swap Payment Date” means the date on which any payments or receipts are due under any Swap Agreements.

“Swap Rate” means the amounts determined by or with respect to a Swap Agreement, which rate shall not exceed the Maximum Rate.

“Swap Receipts” means, under a Swap Agreement, the amounts payable by a Swap Counterparty, in respect of the notional amount specified in such Swap Agreement, at a variable rate or a fixed rate computed in accordance with such Swap Agreement, but excluding any Termination Payments.

“Tax Compliance Certificate” means the Tax Compliance Certificate and Agreement of the Issuer dated the date of delivery of the Bonds.

“Termination Payment” means, under a Swap Agreement, an amount payable by the Issuer or the Swap Counterparty upon the early termination of a Swap Agreement, but excluding Swap Payments and Swap Receipts.

“Underwriter” means Salomon Smith Barney and Merrill Lynch & Co., as representative for themselves and Dolphin & Bradbury, Inc., First American Municipals, Inc. and Janney Montgomery Scott LLC, as purchasers of the Bonds pursuant to the Bond Purchase Agreement.

“Yield Reduction Payment” or “Yield Reduction Amount” means any amount paid to the United States to reduce the yield on Investment Property (as defined in the Code) for yield restriction purposes pursuant to Treas. Reg. § 1.148-5(c).

Section 1.02 Rules of Interpretation.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) This Indenture means this instrument as originally executed and as it may from time to time be supplemented or amended pursuant to the applicable provisions hereof.

(b) All references in this instrument to designated articles, sections and other subdivisions are to the designated articles, sections and other subdivisions of this instrument as originally executed, and as supplemented or amended. The words herein, hereof, hereunder, and herewith and other words of similar import refer to this Indenture as a whole and not to any particular article, section or other subdivision.

(c) The terms defined in Article I have the meanings assigned to them in this Article and include the plural as well as the singular.

(d) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

(e) The terms defined elsewhere in this Indenture have the meanings therein prescribed for them.

(f) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(g) The headings used in this Indenture are for convenience of reference only and shall not define or limit the provisions hereof.

(h) Terms in the singular include the plural and vice-versa.

(i) All references herein to time shall be time at the location of the principal corporate trust office of the Trustee, unless otherwise expressly stated.

**ARTICLE II.
THE BONDS**

Section 2.01 Bonds Authorized.

There is hereby authorized the issuance of \$375,000,000 aggregate principal amount of Bonds, which shall be designated “Delaware Valley Regional Finance Authority, Local Government Revenue Bonds, Series of 2002”, to be issued as hereinafter provided for the purpose of financing Projects in furtherance of the Program. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total principal amount of the Bonds that may be issued under this Indenture is hereby expressly limited to \$375,000,000.

The Bonds shall be dated May 1, 2002, shall be in the principal amounts and bear interest at the interest rates and mature as follows:

<u>Principal Amount of Bonds</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>
\$125,000,000	5.50%	July 1, 2012
125,000,000	5.75%	July 1, 2017
125,000,000	5.75%	July 1, 2032

Section 2.02 Issuance of the Bonds.

The Bonds shall be issuable only as fully-registered bonds, without coupons, in Authorized Denominations. The Bonds shall mature, bear interest at the rates, and be payable at the times as set forth in Exhibit “B” hereto. The Bonds shall be subject to redemption as provided in Article III hereof.

The principal amount or the redemption price of the Bonds, as the case may be, shall be payable at the principal corporate trust office of the Trustee or its successor, upon presentation and surrender of the Bonds. Payments of interest on the Bonds shall be mailed to the persons in whose names the Bonds are registered on the books of the Trustee at the close of business on the Record Date next preceding each Interest Payment Date; provided that an owner of Bonds in an aggregate principal amount of at least \$1,000,000 may, by prior written instructions filed with the Trustee (which instructions shall include an agreement to pay the Trustee’s reasonable charges in connection therewith, and which instructions shall remain in effect until revoked by subsequent written instructions), direct that interest payments for any period be made by wire transfer to an account in the continental United States or other means acceptable to the Trustee.

If the date for payment of the principal of, premium, if any, or interest on the Bonds shall not be a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

Section 2.03 Execution.

The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of the Chairman or Vice-Chairman, and shall have impressed or imprinted thereon, by facsimile or otherwise, the official seal of the Issuer and shall be attested with the manual or facsimile signature of the Issuer's Secretary or Assistant Secretary. In case any officer of the Issuer whose signature or whose facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

Section 2.04 Authentication.

No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until a certificate of authentication on such Bond, substantially in the form set forth in Exhibit "A" hereto, has been duly executed and dated by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture as of the date of authentication shown thereon. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed and dated by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign and date the certificate of authentication on all of the Bonds.

Section 2.05 Form of the Bonds.

The Bonds shall be substantially in the form set forth in Exhibit "A" hereto, with such variations, omissions and insertions as are permitted or required by this Indenture.

Section 2.06 Delivery of the Bonds.

Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver the Bonds to the Trustee, and, upon receipt by the Trustee of the following, the Trustee shall authenticate and deliver the Bonds to the purchasers thereof against payment of the purchase price therefor as directed by the Issuer:

(a) A copy, executed by an Authorized Officer of the Issuer, of the resolution or resolutions authorizing the issuance of the Bonds and the execution and delivery of this Indenture and providing for the sale of such Bonds to the initial purchasers thereof;

(b) A request and authorization to the Trustee on behalf of the Issuer and signed by an Authorized Officer of the Issuer to authenticate, date and deliver such Bonds to the purchasers upon payment to the Trustee, but for the account of the Issuer, of the amounts and in the manner specified in such request and authorization, which proceeds of such payment shall be deposited in the various Funds specified in, and pursuant to, Article V hereof;

(c) The opinion of Bond Counsel, as to the exclusion of interest on the Bonds from gross income for federal tax purposes, in form satisfactory to the Trustee; and

(d) Original, executed counterparts of this Indenture, the Investment Agreement, the Swap Agreements, if any, the Tax Compliance Certificate and the Bond Purchase Agreement.

Section 2.07 Mutilated, Lost, Stolen or Destroyed Bonds; Undelivered Bonds.

(a) If any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate a new Bond of the same maturity and denomination as that Bond mutilated, lost, stolen or destroyed; provided that in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Issuer and the Trustee evidence of such loss, theft or destruction satisfactory to the Issuer and the Trustee, together with an indemnity satisfactory to them. In the event any such Bond shall have matured or been called for redemption, instead of issuing a duplicate Bond, the Issuer may pay or cause to be paid the same upon receipt of the aforesaid indemnity. The Issuer and the Trustee may charge the owner of such Bond for their reasonable fees and expenses in connection with replacing any Bond mutilated, lost, stolen or destroyed.

(b) Every new Bond issued pursuant to this Section shall (i) constitute the same contractual obligation of the Issuer as the mutilated, lost, stolen or destroyed Bond, and (ii) be entitled to all of the benefits of this Indenture, equally and proportionally with any and all other Bonds issued and outstanding hereunder.

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

Section 2.08 Transfer and Exchange of the Bonds; Persons Treated as Owners; Book Entry System.

(a) The Issuer shall cause to be kept at the corporate trust office of the Trustee a register for the registration, exchange and transfer of Bonds (the "Bond Register"). The Issuer hereby appoints the Trustee its registrar and transfer agent to keep such Bond Register and to make such registrations, exchanges and transfers as set forth herein and in the form of Bonds issued hereunder. The Issuer, the Trustee and any other paying agent of the Issuer may treat and consider the registered Owner of any Bond as the absolute owner thereof for all purposes, any notice to the contrary notwithstanding.

(b) Bonds may be transferred upon delivery to the Trustee of the Bond or Bonds to be transferred, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Trustee, duly executed by the registered Owner of such Bond or Bonds or his duly authorized representative, containing written instructions of transfer. No transfer of any Bond shall be effective until entered in the Bond Register. Bonds may be exchanged for Bonds of the same maturity and of authorized denomination or denominations in

the same aggregate principal amount and bearing the same rate of interest. No exchange or transfer shall be required to be made (i) during a period beginning 15 days prior to the date of mailing of any notice of redemption of Bonds and ending on the day of such redemption or (ii) for any Bonds so selected for redemption in whole or in part.

In all cases of the transfer of Bonds, the Trustee shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive. No transfer of any Bond shall be effective until entered on the registration books.

(c) (i) Notwithstanding the foregoing provisions of this Article II, the Bonds shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Bonds of each Series and maturity, which Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Except as provided in Subparagraph (vii) below, all of the Bonds shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Trustee shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds registered in the name of such nominee or nominees of DTC. No person other than DTC or its nominee shall be entitled to receive from the Issuer or the Trustee either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books maintained by the Trustee, in connection with discontinuing the book entry system as provided in Subparagraph (vii) below or otherwise.

(ii) So long as the Bonds or any portion thereof are registered in the name of DTC, the principal or redemption price of and interest on such Bonds shall be paid to DTC or its nominee in accordance with the provisions of the Issuer's "Letter of Representations" on file with DTC, on the dates provided for such payments under this Indenture. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer or the Trustee with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds Outstanding of any maturity, the Trustee shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificates as to the amount of such partial redemption; provided that DTC shall deliver to the Trustee, in each case, a written confirmation of such partial redemption and thereafter the records maintained by the Trustee shall be conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(iii) The Issuer and the Trustee shall treat DTC (or its nominee) as the sole and exclusive Owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners of Bonds under this Indenture, registering the transfer of Bonds, obtaining any consent or other action to be taken by Owners of Bonds and for all other purposes whatsoever; and neither the Issuer nor the Trustee

shall be affected by any notice to the contrary. Neither the Issuer nor the Trustee shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the registration books of the Trustee as being an Owner of Bonds, with respect to: (A) the Bonds; or (B) the accuracy of any records maintained by DTC or any such participants; or (C) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds; or (D) any notice which is permitted or required to be given to Owners of Bonds under this Indenture; or (E) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Bonds; or (F) any consent given or other action taken by DTC as an Owner of Bonds.

(iv) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Owners of Bonds under this Indenture shall be given to DTC as provided in the Letter of Representations.

(v) In connection with any notice or other communication to be provided to Owners of Bonds pursuant to this Indenture by the Issuer or the Trustee with respect to any consent or other action to be taken by Owners of Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that the Issuer or the Trustee may establish a special record date for such consent or other action. The Issuer or the Trustee shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(vi) Any successor Trustee shall, in its written acceptance of its duties under this Indenture, agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(vii) The book-entry-only system for registration of the ownership of the Bonds may be discontinued at any time if either: (A) after notice to the Issuer and the Trustee, DTC determines to resign as securities depository for the Bonds; or (B) after notice to DTC and the Trustee, the Issuer determines that continuation of the system of book-entry-only transfers through DTC (or through a successor securities depository) is not in the best interest of the Issuer. In either of such events, unless the Issuer appoints a successor securities depository, the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated in writing by DTC, but without any liability on the part of the Issuer or the Trustee for the accuracy of such designation. Whenever DTC requests the Issuer and the Trustee to do so, the Issuer and the Trustee shall cooperate with DTC in taking appropriate action after reasonable written notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Section 2.09 Cancellation of the Bonds.

All Bonds paid, redeemed or purchased, either at or before maturity, shall be delivered to the Trustee when such payment, redemption or purchase is made, and except as otherwise provided herein, shall be canceled. Whenever any Outstanding Bond shall be delivered to the

Trustee for cancellation pursuant to this Indenture, upon payment of the principal amount thereof or for replacement pursuant to Section 2.07 or for transfer or exchange pursuant to Section 2.08 the Trustee shall safeguard such Bond for such period of time as may be required by governmental regulations and thereafter promptly cancel the Bond in accordance with the Trustee's customary procedure.

Section 2.10 Temporary Bonds.

Pending the preparation of definitive Bonds, the Issuer may execute and the Trustee shall thereupon authenticate and deliver temporary Bonds. Temporary Bonds shall be issuable as registered Bonds of any Authorized Denomination, and substantially in the form of the definitive Bonds but with such omissions, insertions and variations as may be appropriate for temporary Bonds, all as may be determined by the Issuer. Every temporary Bond shall be executed by the Issuer and authenticated by the Trustee upon the same conditions, and with like effect, as the definitive Bonds. As promptly as practicable, the Issuer shall execute and furnish definitive Bonds and thereupon temporary Bonds may be surrendered in exchange therefor without charge at the principal corporate trust office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds a like aggregate principal amount of definitive Bonds. Until so exchanged the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds. It shall not be necessary to prepare definitive Bonds so long as all Bonds are held under the book-entry system described in Section 2.08(c).

Section 2.11 Nonpresentment of the Bonds.

In the event any Bond shall not be presented for payment when the principal or redemption price thereof becomes due, either at maturity, at the date fixed for redemption, or otherwise, or if an interest check shall not be cashed, if funds sufficient to pay such Bond or interest shall have been made available to the Trustee for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for the payment of the principal or redemption price of or interest on such Bond, as the case may be, shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability to any Bondholder, any beneficial owner, or any other Person for interest thereon, solely for the benefit of the owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond, the principal or redemption price thereof or such interest thereon, as the case may be; provided that any money deposited with the Trustee for the payment of the principal or redemption price of or interest on any Bond and remaining unclaimed for 60 months after such principal or redemption price has become due and payable shall be paid to the Issuer, and the Owner of such Bond or interest, as the case may be, shall thereafter look solely to the Issuer for the payment of such moneys; and all liability of the Trustee with respect to such trust money shall also thereupon cease.

Section 2.12 **Bonds Limited Obligations; Source and Security for Payment.**

The Bonds shall be limited and special obligations of the Issuer, payable solely from the Trust Estate, including amounts paid by the Participants pursuant to the Loan Agreements and Participant Notes, Revenues and moneys available under the terms hereof and investments under the Investment Agreements. The Bonds and the payment thereof shall be solely secured, equally and ratably by the pledge of the Trust Estate set forth in the granting clauses hereof, upon the terms and conditions set forth herein. There shall be no other recourse against the Issuer or any incorporator, member, director or officer of the Issuer, past, present or future, or any other property now or hereafter owned by it, except the Trust Estate. The Bonds are entitled to the benefits of this Trust Indenture equally and ratably both as to principal and interest with all other Bonds issued hereunder.

The obligation of the Issuer under the Swap Agreements, if any, to make Swap Payments shall also be secured by a pledge of the Trust Estate, pari-passu with the Bonds.

No recourse shall be had for the payment of the principal, interest or redemption price of the Bonds, or for any claim based thereon or on the Swap Agreements, if any, or on this Trust Indenture, against any incorporator, member, officer or employee, past, present or future, of the Issuer or of any successor body as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being by the acceptance hereof and, as a material part of the consideration for the issuance of the Bonds, expressly waived and released.

The Issuer shall not be obligated to pay the principal, interest, or redemption price of the Bonds except from the Trust Estate in the manner provided herein, and neither the faith and credit nor the taxing power of the Commonwealth of Pennsylvania or any political subdivision thereof, including the Issuer, is pledged to the payment of the principal amount, interest, or redemption price of the Bonds. Neither the Commonwealth of Pennsylvania nor any political subdivision thereof nor the Issuer nor any Participant shall be obligated to (a) exercise its taxing power to pay the principal or interest on the Bonds or the redemption price thereof, or other costs incident thereto, or (b) to pay the same from any other funds except from the Trust Estate in the manner provided herein. It is further agreed between the Issuer and the registered owner of each Bond that such Bond and the indebtedness evidenced thereby shall not constitute a lien on any property of the Issuer but shall constitute a lien only on the Trust Estate in the manner provided in this Trust Indenture. **THE BONDS ARE SOLELY AND EXCLUSIVELY LIMITED, SPECIAL OBLIGATIONS OF THE ISSUER AND DO NOT CREATE AN OBLIGATION OR DEBT OF THE ISSUER, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF OR GOVERNMENTAL AGENCY EXISTING UNDER THE LAWS THEREOF WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL PROVISION WHATSOEVER.**

ARTICLE III.
REDEMPTION OF THE BONDS

Section 3.01 No Optional Redemption of the Bonds.

The Bonds are not subject to optional redemption prior to their dates of maturity.

Section 3.02 Extraordinary Mandatory Redemption of the Bonds.

The Bonds are subject to extraordinary redemption, in whole or in part, as follows:

On June 18, 2005, from any unloaned proceeds remaining in the Acquisition Fund, unless the Authority receives a written Favorable Opinion of Bond Counsel.

On the earlier of (i) the date that the Authority no longer reasonably expects to originate Loans or (ii) a period of one year following the receipt of each Participant principal repayment, beginning on June 18, 2006, from any unloaned proceeds remaining in the Recycling Fund unless extended as a result of a Favorable Opinion of Bond Counsel.

On any date, if the Authority, as a result of direction received from Bond Counsel, is required to take remedial action so that interest on the Bonds shall remain excluded from gross income for federal income tax purposes.

In the event a Favorable Opinion of Bond Counsel is not received, moneys in the Acquisition Fund or the Recycling Fund shall be transferred to the Redemption Fund and shall be applied to redeem Bonds in the largest principal denomination that is less than or equal to the amount of such moneys. The Bonds shall be redeemed at the premiums and prices during the applicable redemption periods set forth in Exhibit "B" hereto.

Amounts to be used for the extraordinary redemption of Bonds shall be deposited in the Redemption Fund and held and applied as provided in this Section 3.02. Upon deposit of moneys in the Redemption Fund, the Trustee shall provide notice thereof to the Administrator and request that the Administrator determine the redemption price, on the redemption date, of an original principal amount of Bonds equal to such deposit.

The Authority shall provide for a partial termination of the Swap Agreements, if any, in the notional amount equal to the principal amount of Bonds to be redeemed, and shall apply any Termination Payment received by the Trustee in respect thereto to the extraordinary mandatory redemption of such Bonds on the redemption date. If a Termination Payment is payable by the Authority, the Trustee shall transfer moneys in an amount equal to such Termination Payment from the Discretionary Fund or the Authority shall provide moneys pursuant to the Covenant Agreement.

Section 3.03 [Reserved].

Section 3.04 **Notice of Redemption.**

For Bonds being redeemed pursuant to Section 3.02 hereof, the Trustee shall prepare and send notice of each redemption to each Bondholder whose Bonds are being redeemed, and to the Administrator by first-class mail at least 15 days but not more than 30 days before each redemption date. The notice shall identify the Bonds or portions thereof to be redeemed and shall state (a) the redemption date, (b) the redemption price, (c) that the Bonds called for redemption must be surrendered to collect the redemption price, (d) the address at which the Bonds must be surrendered, (e) that interest on the Bonds called for redemption ceases to accrue on the redemption date, (f) the CUSIP number of the Bonds and (g) any condition to the redemption.

A copy of each notice of redemption shall also be sent by the Trustee by certified or registered mail to each securities depository (a "Depository") registered with the Securities and Exchange Commission under the *Securities Exchange Act of 1934*, as amended, two Business Days prior to mailing notice to other Bondholders, and to two national information services that disseminate redemption notices, provided that the Trustee may, in the alternative, provide for overnight, telecopied or other form of notice to a Depository acceptable to or requested by such Depository; provided further, that any failure to give the notice required by this paragraph shall not affect the validity of any proceeding for the redemption of Bonds.

With respect to any Bonds to be redeemed that have not been presented for redemption within 60 days after the redemption date, the Trustee shall prepare and the Trustee shall give a second notice of redemption to the holder of any such Bonds that have not been presented for redemption by first class mail, within 30 days of the end of such 60-day period; provided further, that any failure to give the notice required by this paragraph shall not affect the validity of any proceeding for the redemption of Bonds.

Failure by the Trustee to give any notice of redemption as to any particular Bonds shall not affect the validity of the call for redemption of any Bonds in respect of which no such failure has occurred. Any notice mailed as provided in the Bonds shall be conclusively presumed to have been given whether or not actually received by any holder.

Any provision hereof to the contrary notwithstanding, no notice of redemption of any Bonds, excepting any notice that refers to the Bonds to be refunded, shall be given by the Trustee, unless provision has been made for the deposit with the Paying Agent of sufficient funds to redeem such Bonds prior to the giving of such notice as required herein.

In the event that any Bonds are called for redemption and the amounts required for payment of the redemption prices thereof are not on deposit with the Trustee on the date set for redemption, the Trustee shall notify the registered owners of such Bonds that such redemption has been rescinded, and shall return any Bonds surrendered for redemption to the registered owners thereof; and the Issuer, the Trustee and the registered owners shall be restored to their prior position.

Section 3.05 Bonds Due and Payable on Redemption Date; Interest Ceases to Accrue.

On the redemption date, the redemption price of each Bond to be redeemed pursuant to Section 3.02 hereof shall become due and payable; and from and after such date, notice having been given and amounts having been made available and set aside for such redemption, notwithstanding that any Bonds called for redemption shall not have been surrendered, no further interest shall accrue on any Bonds called for redemption. From and after such date of redemption (such notice having been given and such amounts having been made available and set aside for such redemption) the Bonds to be redeemed shall no longer be deemed to be Outstanding hereunder, and the Issuer shall be under no further liability in respect thereof.

Section 3.06 [Reserved]

ARTICLE IV.
[RESERVED]

ARTICLE V.
REVENUES AND FUNDS

Section 5.01 Source of Payment of the Bonds.

The Bonds are not deemed to constitute a debt, a liability or a pledge of the full faith and credit of the Issuer or of the State or any political subdivision thereof, but the Bonds shall be payable solely from the Revenues. Neither the State, nor any political subdivision thereof, nor the Issuer, shall be obligated to pay the principal of the Bonds or the interest thereon or other costs incident thereto, except from the Revenues and moneys pledged therefor, in the manner herein provided, and neither the full faith and credit nor the taxing power of the State, the Issuer, or any other political subdivision thereof, is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

Section 5.02 Creation of Funds and Accounts.

There are hereby created by the Issuer and ordered established the following funds to be held by the Trustee: (a) the Revenue Fund and within the Revenue Fund, a Principal Account, an Interest Account and the Clearing Account; (b) the Acquisition Fund; (c) the Recycling Fund; (d) the Redemption Fund; (e) the Rebate Fund; (f) the Discretionary Fund; (g) the Debt Service Reserve Fund; and (h) the Costs of Issuance Fund. The Trustee is hereby authorized to create accounts and subaccounts in the Funds hereby created in order to segregate moneys or to accomplish any other administrative purpose.

Subject to the provisions of the Tax Compliance Certificate, all funds in the Revenue Fund, the Acquisition Fund, the Recycling Fund, the Discretionary Fund, and the Debt Service Reserve Fund shall be invested by the Trustee, as directed by the Authority, in one (1) or more Investment Agreements. In the event the Investment Agreements are no longer in effect and no replacement Investment Agreement is established for the Trustee, all funds in such accounts and Funds shall be invested in Eligible Investments with maturities as directed by the Issuer.

Section 5.03 Payments into, and Use of Moneys in, the Acquisition Fund and the Recycling Fund.

(a) The Trustee shall deposit into: (i) the Acquisition Fund, the portion of the Bond proceeds determined pursuant to Section 5.11 hereof; and (ii) the Recycling Fund, to the extent described in Subsection 5.03(b)(iv) and Section 5.05 hereof, the portion of the Repayments representing payments of principal on Participant Notes.

(b) Moneys in the Acquisition Fund and the Recycling Fund shall be used as set forth below:

(i) At the closing of Participant Notes, moneys in the Acquisition Fund and/or the Recycling Fund shall be used to purchase the Participant Notes at par in a principal amount equal to the Initial Amount. The Trustee shall disburse the proceeds in the amounts and to the parties directed by the Program Administrator in the Closing Receipts for the Participant Notes. Moneys shall be

disbursed from the Acquisition Fund prior to moneys being disbursed from the Recycling Fund.

- (ii) Moneys in the Acquisition Fund and the Recycling Fund shall be transferred to the Rebate Fund as required pursuant to Section 5.07(b) hereof.
- (iii) On the Acquisition Fund Termination Date, the balance in the Acquisition Fund shall be transferred to the Redemption Fund pursuant to Section 5.06 hereof and held and applied to redeem Bonds pursuant to Section 3.02, unless prior to the date established for such redemption, the Trustee receives a Favorable Opinion of Bond Counsel. The Acquisition Fund shall be closed at such time as the balance therein is transferred to the Redemption Fund.
- (iv) Repayments representing payments of principal on Participant Notes shall be deposited into the Recycling Fund from the Revenue Fund pursuant to Section 5.05 hereof. Moneys in the Recycling Fund shall be disbursed in accordance with Subsection 5.03(b)(i) hereof, subject to the provisions of Subsections 5.03(b)(ii) and 5.03(b)(v) hereof.
- (v) On each Recycling Termination Date, the balance in the Recycling Fund shall be transferred to the Redemption Fund pursuant to Section 5.06 hereof and held and applied to redeem Bonds pursuant to Section 3.02, unless prior to the date established for such redemption, the Trustee receives a Favorable Opinion of Bond Counsel. The Recycling Fund shall be closed at such time as the balance therein is transferred to the Redemption Fund.

Section 5.04 Payment of Bonds; Payments to Counterparty.

The Trustee shall make payments when due of principal of and interest on the Bonds, and the amounts due as Swap Payments, if any, as follows:

- (a) FIRST, from any moneys held by the Trustee in the Principal Account or the Interest Account of the Revenue Fund;
 - (b) SECOND, from moneys in the Discretionary Fund or moneys provided pursuant to the Covenant Agreement, if the Issuer determines to authorize the same;
 - (c) THIRD, from any moneys available in the Debt Service Reserve Fund;
- and
- (d) LAST, from any other moneys in the Trust Estate available to the Trustee for such purposes.

Payments of Termination Payments shall be paid only from moneys in the Discretionary Fund or provided pursuant to the Covenant Agreement and only after payment in full of all amounts then due on all Bonds and Swap Agreements.

Section 5.05 Payments into, and Use of Moneys in, the Revenue Fund.

(a) There shall be deposited into the Revenue Fund, as and when received:

- (i) all Repayments of the Participants shall be deposited into the Clearing Account, and all Swap Receipts, if any, shall be deposited into the Revenue Fund: payments constituting principal shall be deposited into the Recycling Fund, unless Bonds are to be redeemed, in which event such payments shall be deposited in the Redemption Fund, and payments constituting interest shall be deposited into the Interest Account;
- (ii) all moneys contributed by the Issuer, other than pursuant to the Covenant Agreement;
- (iii) all earnings on Funds invested hereunder;
- (iv) moneys transferred from other Funds under this Indenture;
- (v) moneys received in connection with a Participant Default and the exercise of remedies under a Loan Agreement or Guarantee; and
- (vi) moneys provided by the Issuer pursuant to the Covenant Agreement and directed by the Issuer to be deposited in the Revenue Fund.

(b) Moneys in the Revenue Fund shall be used for the following payments and transfers on the following dates and in the following order of priority; provided, however, the Repayments constituting Termination Payments shall be transferred directly to the Discretionary Fund:

- (i) on each Interest Payment Date, to pay the interest and principal due on the Bonds and on each Swap Payment Date, to pay the Swap Counterparties, if any, the Swap Payments due under any Swap Agreements;
- (ii) as received, to the Recycling Fund, Repayments constituting principal on Participant Notes pursuant to the Loan Agreements;
- (iii) as necessary, to pay Administrative Fees and Expenses;
- (iv) as necessary, to the Debt Service Reserve Fund, to the extent required to replenish any deficiency therein; and

- (v) as directed by the Program Administrator, to the Discretionary Fund, any amounts required to provide for estimated future rebate payments and any amounts in excess of the levels required to provide for Administrative Expenses and prudent levels of liquidity as determined by the Administrator for the Bonds and the Swap Agreements.

Section 5.06 Payments into, and Use of Moneys in, the Redemption Fund.

Amounts transferred pursuant to Section 5.03(b), 5.05(a)(i) and Section 5.10(v) hereof shall be promptly deposited in the Redemption Fund and applied to the redemption of Bonds in accordance with Section 3.02 hereof.

After provisions for the purchase or redemption of all Bonds required to be redeemed have been made pursuant to this Section 5.06, the Trustee shall pay to the Discretionary Fund, the balance in the Redemption Fund.

Section 5.07 Payments into, and Use of Moneys in, the Rebate Fund.

(a) Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder. In accordance with Treasury Regulation §1.148-7(b)(6) (ii), the Issuer hereby elects to apply the spending exceptions under Section 148(f)(2) of the Code separately to each Loan.

(b) The Issuer shall, at the expense of each Participant, engage and furnish information to the Rebate Analyst to calculate, not later than sixty (60) days after the end of each fifth Bond Year for the Bonds and not later than sixty (60) days after the payment in full of all Outstanding Bonds, the allocable portion of the Rebate Amount and/or Yield Reduction Amount, if any, on a Loan by Loan basis as of the end of each such fifth Bond Year or the date of such final payment. Any Participant exempt from rebate pursuant to Treasury Regulation Section 1.148-8 determined by the Administrator shall be excused from the rebate requirements of this paragraph. Based on information provided by the Rebate Analyst, the Rebate Analyst shall notify each Participant, as applicable, in writing of that amount and of the amount then on deposit in the Rebate Fund applicable to each Loan. If the amount then on deposit in the Rebate Fund is less than such Rebate Amount and/or Yield Reduction Amount, if any, the Participant shall, within five (5) days after receipt of the aforesaid notice from the Rebate Analyst, pay to the Trustee for deposit in the Rebate Fund an amount sufficient to cause the Rebate Fund to contain an amount equal to such Rebate Amount and/or Yield Reduction Amount, if any, attributable to such Participant. If the Participant does not pay the required amount within five days after receipt of the aforesaid notice from the Rebate Analyst, the Program Administrator shall immediately transfer to the Rebate Fund, that amount, first, from the Discretionary Fund, second, from the Acquisition Fund, third, from the Recycling Fund, and fourth, from the Redemption Fund, to the extent of moneys available therein.

(c) The Issuer shall furnish information to the Rebate Analyst to calculate not later than sixty (60) days after the end of each fifth Bond Year for the Bonds and not later than sixty (60) days after the payment in full of all Outstanding Bonds, the Rebate Amount and/or

Yield Reduction Amount with respect to amounts not loaned or otherwise attributable to Participants as of the end of such fifth Bond Year or the date of such final payment. Based on information provided by the Rebate Analyst, the Issuer shall immediately instruct the Trustee to deposit in the Rebate Fund, such Rebate Amount, first from the Discretionary Fund, second, from the Acquisition fund, third, from the Recycling Fund and fourth, the Redemption Fund, to the extent of moneys available therein.

(d) Within 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, the Trustee, acting on behalf of the Issuer, shall pay to the United States in accordance with Section 148(f) of the Code, from the moneys then on deposit in the applicable account in the Rebate Fund, an amount equal to 90% of the Rebate Amount and/or Yield Reduction Amount, if any, earned from the date of the original delivery of the Bonds to the end of such fifth Bond Year (less the amount of Rebate Amounts, if any, previously paid to the United States pursuant to this Section). Within 60 days after the payment in full of all Outstanding Bonds, the Trustee shall pay to the United States in accordance with Section 148(f) of the Code, from the moneys then on deposit in the applicable accounts in the Rebate Fund, an amount equal to 100% of the Rebate Amounts and/or Yield Reduction Amount, if any, earned from the date of the original delivery of the Bonds to the date of such payment (less the Rebate Amounts and/or Yield Reduction Amount, if any, previously paid to the United States pursuant to this Section). All computations of Rebate Amounts pursuant to this section shall treat the amount or amounts, if any, previously paid to the United States pursuant to this Section as amounts on deposit in the Rebate Fund.

(e) The Rebate Analyst shall provide the Issuer with records of the computations made pursuant to this Section and the Issuer shall maintain such records for six (6) years following receipt thereof.

(f) Notwithstanding anything to the contrary contained herein, annually, as of each December 31, the Rebate Analyst shall calculate the estimated amount (the “Annual Rebate Estimate”) that shall be required to be paid to the United States of America in order to preserve the exclusion of interest on the Bonds from gross income of the Owners thereof for federal income tax purposes. To the extent the Annual Rebate Estimate exceeds the amount then on deposit in the Discretionary Fund, the Administrator shall transfer amounts to the Discretionary Fund sufficient to cure such deficiency from the Revenue Fund. If, after taking into consideration amounts required for future expenditures and liquidity levels, the Program Administrator determines that amounts sufficient to cure such deficiency are not available in the Revenue Fund, the Program Administrator shall adjust the Monthly Finance Charge to eliminate such deficiency before the Rebate Amount and/or Yield Reduction Amount, if any, is due and payable or shall cause moneys to be provided pursuant to the Covenant Agreement. If the deficiency still exists by the date the Rebate Amount is due and payable, the Trustee shall transfer to the Rebate Fund any remaining deficiency in the following order:

First, from the Acquisition Fund
Second, from the Recycling Fund,
Third, from the Redemption Fund, and
Last, from the Debt Service Reserve Fund.

Any such transfer by the Trustee shall be replenished from the collection of Monthly Finance Charges.

(g) Neither the Administrator nor the Trustee shall have any duty or responsibility to independently verify any of the calculations or instructions with respect to transfers by the Trustee to the Rebate Fund (or related assessments of the Participants) or withdrawals from the Rebate Fund, and both the Administrator and the Trustee shall be fully protected in relying solely upon the directions of the Issuer or the Rebate Analyst in this regard. Under no circumstances whatsoever shall the Trustee be liable to the Issuer, any Participant, any Bondholder or any other person for any loss of tax-exempt status of the Bonds, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, so long as the Trustee acts only in accordance with the Indenture and the directions of the Issuer or the Rebate Analyst.

Section 5.08 Use of Moneys in the Cost of Issuance Fund.

Moneys in the Cost of Issuance Fund shall be used to pay the costs of issuing the Bonds. Such costs shall be paid on the date of original authentication and delivery of the Bonds or not later than the 180th day thereafter, upon the submission of a closing statement or requisitions to the Trustee by an Authorized Officer of the Issuer stating the amount to be paid, to whom it is to be paid and the reason for such payment, each such requisition to include a certificate signed by an Authorized Officer of the Issuer stating that the amount of such closing statement or requisition is due and owing and has not been the subject of another requisition which was paid and is a proper expense of issuing such Bonds. Moneys in the Cost of Issuance Fund shall be invested in the Investment Agreement and all earnings on moneys in the Cost of Issuance Fund shall be credited to the Revenue Fund as received. Any funds remaining in the Cost of Issuance Fund on December 17, 2002 shall be transferred to the Revenue Fund.

Section 5.09 Amounts in the Debt Service Reserve Fund.

(a) The amounts in the Debt Service Reserve Fund shall be applied to pay the principal and interest on the Bonds and to make Swap Payments as the same become due, only when the amounts available for such purposes in the Revenue Fund in accordance herewith are insufficient to make such payments.

(b) Earnings on the Debt Service Reserve Fund shall be retained therein until the amount on deposit in the Debt Service Reserve Fund is equal to the Reserve Requirement; thereafter, such earnings shall be transferred to the Revenue Fund.

Section 5.10 Payments into, and Use of Moneys in the Discretionary Fund.

Termination Payments received pursuant to a Swap Agreement and amounts paid pursuant to the Covenant Agreement shall be deposited in the Discretionary Fund. Amounts in the Discretionary Fund shall be applied to the following, as directed by the Program Administrator:

- (i) To pay any Administrative Fees and Expenses, to the extent the same are not paid from other sources and available to the Trustee.

- (ii) To pay the costs or expenses related to the making or funding of any Loan, or the issuance of any Participant Note.
- (iii) Payments to the Issuer which receive a Favorable Opinion of Bond Counsel; provided, however, that no payment to the Issuer shall be made if a Termination Payment is then due and owing.
- (iv) To make deposits to the Rebate Fund occasioned by a change in interpretation or application of federal tax law and required to make an Extraordinary Payment.
- (v) To pay interest, principal, or redemption prices on Bonds and to make Swap Payments when the other moneys available to the Trustee are insufficient therefor.
- (vi) Repayments constituting Termination Payments shall be paid, without further direction, to the Swap Counterparty.
- (vii) Pursuant to the Covenant Agreement at the direction of the Issuer for any purpose provided therein.

Section 5.11 Application of the Bond Proceeds; Issuer Moneys.

The proceeds of the Bonds, together with the sum of \$2,003,350.97 provided by the Issuer on the date hereof, shall be deposited with the Trustee as follows:

- (a) To the Cost of Issuance Fund, the sum of \$1,069,320.00, to be applied in accordance with Section 5.08;
- (b) To the Debt Service Reserve Fund, the sum of \$31,959,000.00, which is the Reserve Requirement;
- (c) To the Interest Account in the Revenue Fund pursuant to Section 5.05(a) hereof, \$2,774,305.56, representing accrued interest on the Bonds;
- (d) To the Revenue Fund, moneys of the Issuer in the amount of \$2,000,000;
and
- (e) To the Acquisition Fund, the sum of \$371,200,000.00 representing the balance of the proceeds received from the sale of the Bonds.

Section 5.12 [Reserved.]

Section 5.13 Moneys to Be Held in Trust.

All moneys required to be deposited with or paid to the Trustee for the account of any Fund established under any provision of this Indenture shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the redemption of Bonds, notice of the redemption of which has been duly given, or held pursuant to Section 2.12, or held in the Rebate Fund, shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the security interest created hereby.

Section 5.14 Payment of Excess Moneys.

Subject to Section 2.12 and Article IX, any amounts remaining in any Fund created pursuant to Section 5.02 after full payment of the Bonds (including any rebate and/or yield reduction liability and the reasonable fees, charges and expenses with respect to the issuance of the Bonds under Section 5.08) and of any bonds issued to refund the same, full payment of all Swap Agreements, if any, and full payment of the fees, charges and expenses of the Trustee, the Issuer, the Administrator, and the Rebate Analyst (and of the trustee and paying agents for, and other parties rendering services related to, any refunding bonds), shall be paid to the Issuer.

Section 5.15 Reports from the Trustee; Examination of Books.

The Trustee shall furnish to the Issuer, the Administrator and the Rebate Analyst within two (2) weeks following the end of each Bond Year, statements of the activity and assets held in the Funds created pursuant to Section 5.02. The Trustee shall, at the written request of the Administrator, the Issuer or the Rebate Analyst, permit representatives of such parties to examine the books and records of the Trustee relating to the Funds.

Section 5.16 Certain Verifications.

The Issuer, the Trustee, the Administrator and/or the Rebate Analyst from time to time may cause a firm of Accountants or consultants to supply the Issuer, the Trustee, the Administrator and the Rebate Analyst with such information as the Issuer, the Trustee or the Rebate Analyst may request in order to determine in a manner reasonably satisfactory to the Issuer, the Trustee, the Rebate Analyst and the Administrator all matters relating to (a) any audits of the Issuer, if and to the extent such audits relate to the Bonds, (b) the sufficiency of projected cash flow receipts and disbursements on the Loan Agreements, the Swap Agreements, if any, the Investment Agreements and Funds described herein to pay the principal and redemption price of and interest on the Bonds, the Swap Payments, if any, and Swap Receipts, if any; and (c) the actuarial yields on the Loan Agreements, the investments held under the Indenture, and on the Bonds, as the same may relate to any data or conclusions necessary to verify that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Code or to permit investment of amounts in the Funds in compliance with the Code and this Indenture. Payment for costs and expenses incurred in connection with supplying the foregoing information shall be paid from moneys in the Discretionary Fund. Any and all such reports shall be delivered by the Administrator to the Trustee.

**Section 5.17 Effect of Certain Loan Agreement Defaults under Loan Agreements;
Assignment of Loan Agreements.**

Upon the occurrence of a Loan Agreement Default of which it has knowledge, the Trustee shall immediately notify the Issuer, the Administrator, the Guarantor, if any, each Swap Counterparty, and the Eligible Credit Enhancer. Upon written direction of the Eligible Credit Enhancer, unless payment has been made by the Guarantor, and if the Eligible Credit Enhancer is not in default on the Eligible Credit Enhancement for the Loan, the Trustee shall take all action available to it as owner of the Participant Note in its representative capacity, to make demand for, and enforce, collect, settle and recoup all payments due under the Participant Note.

If, as a result of any such payment default by a Participant, the amounts on deposit in the Revenue Fund are insufficient to make the payments required to be made therefrom, and payments are not made by the Guarantor, if any, or the Eligible Credit Enhancer, the Trustee shall draw upon the Debt Service Reserve Fund for the amount necessary to pay principal or interest on the Bonds unless the Authority provides moneys therefor pursuant to the Covenant Agreement or directs transfer from the Discretionary Fund, and shall take all action available to it as owner of the Participant Note in its representative capacity, to make demand for, and enforce, collect, settle and recoup all payments due under the Participant Note.

ARTICLE VI.
LOAN AGREEMENTS

Section 6.01 Terms and Conditions.

Moneys in the Acquisition Fund and the Recycling Fund shall be used to purchase Participant Notes to provide funds to Participants to finance the Cost of Projects, under Loan Agreements setting forth the terms and conditions, and upon submission of the documents, contained in this Article VI, and not otherwise. Loans may be made bearing interest at the Loan Weekly Rate or at a Loan Fixed Rate (as such terms are defined in the Loan Agreements). In connection with any Loans made at a Loan Fixed Rate, the Issuer may enter into subsequent swap arrangements. The Administrator shall provide to the Issuer, the Trustee and a Participant recommendations concerning the terms and provisions it believes should be included in the details of each Loan Agreement.

Section 6.02 Restrictions on Program.

The following restrictions shall apply to all Loan Agreements:

(a) Each Loan Agreement shall be in substantially the form attached as Exhibit “C” hereto, as it may be modified pursuant to Section 6.08 hereof.

(b) No Closing shall occur unless the Issuer and the Trustee (and, to the extent requested by a Swap Counterparty, such Counterparty) have received all of the following:

- (i) the written approval of the Administrator;
- (ii) a Favorable Opinion of Bond Counsel;
- (iii) if applicable, the guaranty of a Guarantor;
- (iv) a Participant Tax Compliance Agreement; and
- (v) written confirmation that all conditions established by the Administrator for such Loan, including, but not limited to, approval pursuant to the *Debt Act* and legal opinions with respect to the Loan and the Eligible Credit Enhancement, shall have been satisfied.

(c) Loan principal shall be scheduled to mature so as to provide sufficient funds to pay the Bonds on their respective maturity dates, all as may be determined by the Program Administrator.

(d) The Issuer shall not originate a Loan to a Participant with a rating below “A3” by Moody’s or “A-” by S&P unless the Rating Agencies confirm or have previously confirmed that the ratings on the Bonds Outstanding at that time would not be downgraded as a consequence of originating such Loan or Loans without Eligible Credit Enhancement.

(e) The Issuer shall secure Eligible Credit Enhancement to secure any Loan to a Participant whose rating is downgraded below “A3” by Moody’s and “A-” by S&P subsequent to the Closing of a Loan unless the Rating Agencies confirm that the ratings on the Bonds Outstanding at that time would not be downgraded as a consequence of not securing the Eligible Credit Enhancement.

Section 6.03 Disbursement Period.

The Trustee shall fund Loans from the proceeds in the Acquisition Fund or the Recycling Fund, as the case may be, by purchasing Participant Notes from Participants to finance or reimburse the Cost of Projects on such basis as shall be determined from time to time by the Program Administrator in the order that all necessary requirements are met, until such date as there are no longer any unloaned funds on deposit in the Acquisition Fund or the Recycling Fund, or until the Acquisition Fund Termination Date or Recycling Termination Date, respectively. Notwithstanding the foregoing, the Trustee, upon the written direction of the Issuer or Administrator, and with a Favorable Opinion of Bond Counsel, may reserve proceeds in the Acquisition Fund and the Recycling Fund for funding of a Loan to a Participant at a future date after the Acquisition Fund Termination Date or Recycling Termination Date, as applicable.

Section 6.04 Agreement Term and Repayments.

(a) Each Loan Agreement shall be for a term commencing on the Commencement Date and ending on a date determined by the Administrator, such date to be not later than the earlier of (i) the date set forth in Section 8.1 of the Loan Agreement; or (ii) the date of the end of the period which is equal to 120% of the useful life of the Project. The principal of the Participant Notes shall be repaid in such amounts on such dates as set forth in the related Loan Agreement. The portion of each Repayment constituting interest and Monthly Finance Charges, if any, shall be calculated by the Administrator monthly (and recalculated when necessary) as provided in Section 4.2 of the Loan Agreement.

(b) During each Loan Weekly Rate Period, each Loan bearing interest at the Loan Weekly Rate shall bear interest at a rate provided to the Trustee by the BMA Calculation Agent as of the close of business on the Business Day immediately preceding the first day of each Loan Weekly Rate Period. In addition, each Loan shall require payment of any additional amount as determined by the Administrator from time to time as necessary to make all Repayments. The calculation and verification of interest payable on the Loans as provided in this Indenture shall be conclusive and binding on the Issuer, the Administrator, the Participants, the Trustee and the Bondholders, absent manifest error.

If the Trustee shall not have received the BMA Calculation Agent’s determination of a Loan Weekly Rate for any week, the Loan Weekly Rate shall be the rate specified for such period in the Swap Agreements, if any, or if no such rate is determinable, the rate shall be the same as the Loan Weekly Rate for the immediately preceding week. If the Trustee shall not have determined a Loan Weekly Rate for a second successive week or for any reason cannot determine the Loan Weekly Rate for any week as hereinbefore provided, the Loan Weekly Rate

for such week shall be the rate specified for such period in the Swap Agreements, if any, or if no such rate is determinable, the rate shall be a rate per annum equal to 100% of the rate published in the then most recent edition of The Bond Buyer for 30-day prime tax-exempt commercial paper or, if The Bond Buyer no longer publishes such information, such other publication or provider of such information as the Trustee (or, upon failure of the Trustee to so designate, the Administrator) may select.

The first Loan Weekly Rate determined for each Loan Weekly Rate Period shall apply to the period commencing on the first day of such Loan Weekly Rate Period and ending on the next succeeding Wednesday (or the next succeeding Business Day, if such Wednesday is not a Business Day). Thereafter, each Loan Weekly Rate shall apply to the period commencing on Thursday (or if the date of determination is not a Wednesday, on the next following Business Day) and ending on the next succeeding date of determination, or if earlier, on the last day of the Loan Weekly Rate Period.

Promptly following the receipt from the BMA Calculation Agent of its determination of each Loan Weekly Rate, the Trustee shall give notice thereof to the Administrator and the Issuer. The failure to give any such notice shall not affect the change in the Loan Weekly Rate.

The Trustee shall notify the Administrator and the Issuer in writing (which may be in telecopy form) or by telephone promptly confirmed in writing by 4:00 p.m. on the last Wednesday of each month (or if such Wednesday is not a Business Day, on the next succeeding Business Day) of the Loan Weekly Rates set for each week in such month.

Using the Loan Weekly Rates determined as set forth in the foregoing paragraphs of this Subsection (b), the Administrator shall calculate the amount of interest payable on the Loans.

(c) Loans bearing interest at a Loan Fixed Rate shall bear the interest rate determined by the Administrator at the time of origination of the Loan or conversion from the Loan Weekly Rate.

(d) Notwithstanding any provision herein to the contrary, the interest rate on the Loans shall never be greater than the Maximum Rate. The Loan Agreements shall provide for interest not in excess of the Maximum Rate.

Section 6.05 Application Submissions.

Prior to approving an application, the Issuer shall have received a completed application in the form approved by the Issuer, including all financial and other information specified therein.

Section 6.06 Closing Time and Place.

Closings shall take place at the office of the Trustee or at such other place as may be mutually agreeable to the Issuer, the Trustee, the Administrator, and the Participant.

Section 6.07 Closing Submissions.

Prior to or at each Closing, the Trustee, the Administrator and the Issuer shall have received the following documents from the related Participant:

- (a) a counterpart of the Loan Agreement executed by the parties thereto and endorsed by the Issuer to the Trustee;
- (b) the original Participant Note in principal amount equal to the Initial Amount, registered in the name of the Trustee, bearing interest and maturing as to principal and interest in accordance with the Loan Agreement; and
- (c) the additional items required by Section 6.02 hereof.

All opinions and certificates required under this section and under the Loan Agreement shall be dated the date of Closing and all such opinions shall be addressed to the Issuer and the Trustee. Interest on the Participant Notes shall commence to accrue on the date of Closing.

Section 6.08 Modifications of Forms of Loan Agreements and Participant Resolutions.

Prior to the execution and delivery of a Loan Agreement, the Issuer may approve modifications to the form of Participant resolutions or Loan Agreements, so long as such modifications do not adversely affect the interest of Bondholders or any Swap Counterparty. Any modifications which materially change the undertakings set forth therein and adversely affect the interest of Bondholders or any Swap Counterparty shall be accompanied by a Favorable Opinion of Bond Counsel.

Section 6.09 Program Monitoring.

The Administrator shall prepare periodic reports to the Issuer and the Trustee setting forth the status of any Loan applications received by it, stating the amount of Loans then outstanding, projecting the anticipated use of moneys in the Acquisition Fund and the Recycling Fund and providing any recommendations it may have concerning the making of additional Loans.

The Administrator shall also monitor the activities of the Trustee and compliance with the requirements imposed hereunder.

The Administrator may engage or employ a person or firm acceptable to the Issuer (the “Loan Origination Agent”) to perform all or a portion of its duties under the Indenture and any Loan Agreement, and upon due authorization by the Administrator, such Loan Origination Agent shall be authorized to act on behalf of the Administrator in such matters. All provisions of this Indenture calling for notices to be given to the Administrator shall also be deemed to provide for such notices to be sent to any Loan Origination Agent then engaged by the Administrator, upon filing of the address thereof with the Trustee.

ARTICLE VII.
SERVICING OF AGREEMENTS

Section 7.01 Servicing.

The Trustee shall provide enforcement of the obligations of the Participants. The Trustee shall transmit (in electronic or other format as determined by the Trustee) to each Participant an invoice reflecting the amounts computed to be due on each Loan.

The Administrator shall review all Loan applications, Loan Agreements and Participant Notes and assist the Participants in processing Loan applications. The Administrator shall assist Participants with any inquiries or requests made subsequent to the closing of a Loan. The Administrator shall also perform any other duties which have been delegated to the Administrator by the Issuer pursuant to agreement with the Administrator.

Section 7.02 Defaults.

The Trustee shall, in accordance with the terms and provisions of this Indenture, but at the direction of the Eligible Credit Enhancer with respect to a Loan Agreement Default so long as the Eligible Credit Enhancer has not defaulted under the Eligible Credit Enhancement and the Guarantor, if any, has failed to make payments pursuant to its guarantee of a Loan, enforce, and take all steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Participant Notes and Loan Agreements, including the prompt payment of Repayments, and all other amounts due thereunder. The Trustee shall promptly notify the Administrator, the Guarantor, if any, any Swap Counterparties and the Eligible Credit Enhancer of the occurrence of any Loan Agreement Default of which it has knowledge. The Trustee shall not, without the prior written consent of the Eligible Credit Enhancer, so long as the Eligible Credit Enhancer has not defaulted under the Eligible Credit Enhancement and the Guarantor, if any, so long as such Guarantor has not defaulted under its Guarantee, except pursuant to Section 7.04, release the obligations of any Participant under any Loan Agreement and shall at all times, to the extent permitted by law, defend, enforce, preserve and protect the rights and privileges of the Owners of the Bonds and of the Trustee under or with respect to each Loan Agreement, subject to the rights of the Eligible Credit Enhancer as set forth in the first sentence hereof; provided that this provision shall not be construed to prevent the Trustee, with the consent of the Eligible Credit Enhancer or at the direction of the Eligible Credit Enhancer, from settling a default under any Participant Notes, Loan Agreement or any document securing them. The Trustee may act in accordance with the foregoing irrespective of whether there shall have occurred an Event of Default hereunder. Notwithstanding anything to the contrary set forth in this Indenture, including, in particular, Section 10.07 hereof, all moneys received by the Trustee, constituting proceeds of any action brought under a Loan Agreement, shall, after application to the reasonable expenses of the Trustee, be applied to all amounts then due and owing the Eligible Credit Enhancer as subrogee thereunder and shall thereafter, so long as the Eligible Credit Enhancer is not in payment default of its Eligible Credit Enhancement, be applied by the Trustee as a credit against scheduled Loan Repayments in such manner as the Eligible Credit Enhancer shall determine. Notwithstanding anything to the contrary set forth herein or in any Loan Agreement, the Issuer hereby appoints the Trustee, and in the event of discharge of this Indenture in accordance with the provisions hereof, each Eligible Credit Enhancer, its agent and

attorney-in-fact for purposes of enforcing all rights under the Loan Agreements for which each Eligible Credit Enhancer has provided Eligible Credit Enhancement.

Section 7.03 [Reserved]

Section 7.04 Payment or Prepayment by Participants.

Upon the payment of all sums due and to become due under a Loan Agreement, including all Repayments due under the applicable Participant Notes and payment of all sums owing to an Eligible Credit Enhancer, or the prepayment of a Loan Agreement by a Participant by payment of the Optional Prepayment Price pursuant to Section 6.1 of a Loan Agreement, the Trustee shall cancel the Loan Agreement on behalf of the Issuer and shall surrender to the Participant its Participant Notes, and shall take any other action required of the Trustee under the Loan Agreement and shall execute in its own name all relevant documents in connection with such actions (and the Trustee is hereby appointed the Issuer's agent and attorney-in-fact for purposes of taking any act, including the presentation for payment and collection of the Participant Notes and the execution and delivery of any document, required by this Section).

Section 7.05 Loan Agreement Files.

All documents received by the Trustee with regard to a particular Agreement shall be retained by the Trustee in a file pertaining to that Agreement (a "Loan Agreement File"). The Loan Agreement File shall be kept at the principal office of the Trustee and shall be available for inspection by the Issuer, any Swap Counterparties and the Eligible Credit Enhancer at reasonable times and under reasonable circumstances.

Section 7.06 Trustee, Administrator and Issuer Not to Impair Tax Exemption of the Bonds.

The Administrator and the Issuer shall not take any action, or direct the Trustee to take any action, or omit to take any action, or permit any action, except actions required hereunder and under the Loan Agreements, which is within each of its respective control to be taken or omitted, which would to the actual knowledge of each of its respective officers, impair the exclusion of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.

Section 7.07 Additional Duties of Administrator.

In connection with the administration of the Program, the Administrator shall perform the following services:

- (a) Participate in the establishment of the Program and coordinate the development of the Program with involved parties,
- (b) Provide information and market and promote the program to all potential Participants through written materials and presentations, and attendance at conferences and seminars as representative of the program,

- (c) Initiate contact with potential Participants for the purpose of presenting and explaining the program,
- (d) Act as originator and processor of each Loan,
- (e) Consult with government officials and give advice and assistance as to the Participant's eligibility, the application procedure, any required security, and related matters prior to the filing of a Loan application,
- (f) Upon the request of a Participant, meet with the governing body or officials of the Participant to explain the program and the application procedure,
- (g) Assist any potential Participant in the preparation of its Loan application and gathering of information and documentation required,
- (h) Receive filed applications and review them for completeness and forward them to an Eligible Credit Enhancer for approval,
- (i) Report to the Trustee and the Eligible Credit Enhancer any information of which it has actual knowledge concerning the condition of a Participant that could potentially cause a default,
- (j) Review each Loan Agreement, including the related Participant Note, and approve the same in accordance with the parameters of the program established by the Issuer from time to time and in accordance with the Participant's application,
- (k) Provide information requested by the Issuer and Trustee to enable the Issuer and Trustee to comply with the requirements of continuing disclosure, including the requirements of Rule 15(c)2-12 of the Securities and Exchange Commission, and
- (l) Review and approve all applications for disbursements by the Trustee.

ARTICLE VIII.
INVESTMENT OF MONEYS

Section 8.01 **Investment of Moneys in Funds.**

(a) Subject to the provisions of the Tax Compliance Certificate, all Bond proceeds and other moneys deposited in any Funds (other than the Rebate Fund) shall be initially invested pursuant to the Investment Agreements or other Eligible Investments.

(b) The Trustee is hereby directed to enter into the Investment Agreements and to invest amounts thereunder in accordance with the terms of such Investment Agreements and is hereby instructed to give all notices and to take all other actions necessary (i) to make withdrawals from such Investment Agreements in order to make timely payments of principal or redemption price, interest, fees and expenses due hereunder and (ii) to make timely deposits or redeposits of proceeds as required hereunder.

Eligible Investments acquired as an investment of moneys in any Fund created by this Indenture shall be credited to such Fund. For the purpose of determining the amount in any Fund at any time in accordance with this Indenture, except as otherwise provided herein, all Eligible Investments credited to such Fund shall be valued at fair market value. The value of Eligible Investments in each Fund shall be determined upon acquisition and annually thereafter as of each Anniversary Date. The value of Eligible Investments so determined as of any such date shall constitute the “Value of Eligible Investments” for purposes of this Indenture until the next date of valuation.

All interest, profits and other income earned, net of any losses suffered (herein called the “net earnings from investment of moneys”), in any Fund created by this Indenture shall be deposited as set forth in Article V.

Subject to the provisions hereof, investments in any and all Funds created by this Indenture may be commingled for purposes of making, holding and disposing of investments. Notwithstanding provisions herein for transfer to or holding in particular Funds amounts received, or such commingling, the Trustee shall at all times account for such investments in the Funds to which they are credited and otherwise as provided in this Indenture. The Trustee may act as principal or agent in the acquisition or disposition of any Eligible Investment. The Trustee may sell at the best price obtainable, or present for redemption, any Eligible Investment to the credit of any Fund created by this Indenture whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from such Fund, and the Trustee shall not be liable for any loss resulting from such investment.

All moneys required to be deposited with or paid to the Trustee for the account of any Fund (other than the Rebate Fund) established under any provision of this Indenture shall be held by the Trustee in trust and shall constitute part of the Trust Estate while held by the Trustee; provided, however, that moneys deposited with or held by the Trustee for the purchase of Bonds on or after any date on which such Bonds are required to be purchased in accordance with this Indenture, for the redemption of Bonds on or after the redemption date of such Bonds, or for the payment of the principal or redemption price of or interest on Bonds on or after the date on

which such amounts shall have become due, shall be held and applied solely for the purchase, redemption or payment of such Bonds or the payment of such interest, as the case may be.

The Trustee shall not invest any funds held by it for the payment of the principal or redemption price of the Bonds after the date established for maturity or redemption thereof.

Notwithstanding any provision to the contrary contained herein, all moneys subject to investment under this Indenture shall be invested in Eligible Investments.

The Trustee shall prepare monthly reports of the investments held under the Indenture, including the balances on deposit in each Fund and account, the investment income for such month, and the maturities and interest rates then in effect for such investments. Such reports shall be promptly filed with the Issuer and the Administrator. The Administrator shall review such reports and advise the Trustee and the Issuer of any discrepancies or concerns regarding such investments.

Section 8.02 **Federal Tax Laws.**

(a) The Issuer covenants that it will make no investment or other use of the proceeds of the Bonds which would cause the Bonds to be “arbitrage bonds” as that term is defined in Section 103(b)(2) and Section 148(a) of the Code, and that it will comply with the requirements of the Code sections and regulations and with the Tax Compliance Certificate throughout the term of the Bonds. In the event that at any time the Issuer is of the opinion that for the purposes of this Section 8.02 it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee, the Issuer shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

Without limiting the generality of the foregoing, the Issuer agrees that there shall be paid from time to time all amounts required to be paid to the United States Treasury pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of any Outstanding Bonds. The Issuer specifically covenants to pay or cause to be paid to the United States Treasury the Rebate Amounts and Yield Reduction Amounts, as set forth in the Tax Compliance Certificate.

Notwithstanding any provision of this Section, if the Issuer shall provide to the Trustee a Favorable Opinion of Bond Counsel to the effect that any action required under this section is not longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Code, the Issuer and the Trustee may rely conclusively on such opinion in complying with the provisions hereof or such matters as are set forth in the Favorable Opinion of Bond Counsel.

(b) The Issuer covenants that so long as the Bonds remain Outstanding it will comply with the requirements of the Code so that the interest on the Bonds shall be excluded from gross income for federal income tax purposes, and will comply with the information reporting requirements imposed by federal tax laws as they relate to the Bonds by, *inter alia*, filing any statement required thereby in a complete and timely manner.

(c) The Issuer hereby covenants for the benefit of the Holders of the Bonds that it will cause the Participants to not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the Holders of the Bonds of the interest on the Bonds under Section 103 of the Code. The Issuer also covenants that it will cause the Participants to not directly or indirectly use or permit the use of any of the proceeds of the Bonds or any other funds or take or omit to take any action which would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code and to comply will all requirements of Section 148 of the Code to the extent applicable to the Bonds. The Issuer shall comply with the covenants in this paragraph (c) by requiring each Participant to enter into a Participant Tax Compliance Agreement.

(d) The Issuer recognizes that the provisions of this Section 8.02 are intended to comply with the provisions of the Code applicable to the Bonds and if as a result of a change in an applicable section of the Code or in the interpretation thereof, change in this Section 8.02 shall be permitted or necessary to assure continued compliance with provisions of the Code, then the Issuer shall be empowered without further action or consent, to amend this Section 8.02 and the Issuer may require a written opinion of Bond Counsel satisfactory to the Issuer to the effect that either (i) such amendment is required to maintain the exclusion from gross income under Section 103 of the Code of interest paid and payable on the Bonds, or (ii) such amendment shall not adversely affect the exclusion from gross income under Section 103 of the Code of the interest paid or payable on the Bonds.

ARTICLE IX.
DISCHARGE OF INDENTURE

Section 9.01 Discharge of Indenture.

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to or for the Owners of the Bonds, the principal of and interest due or to become due thereon at the times and in the manner stipulated therein, shall have paid all Swap Payments due or to become due under the Swap Agreements, if any (or the obligations of the Issuer and the Trustee under the Swap Agreements, if any, shall otherwise have been terminated, and shall pay or cause to be paid all sums of money due or to become due according to the provisions hereof), then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the Issuer such instruments in writing as shall be requisite to cancel and discharge the lien hereof, and release, assign and deliver unto the Issuer any and all of the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee or otherwise subject to the lien of this Indenture.

Notwithstanding the foregoing, those provisions of this Indenture relating to the maturity of the Bonds, interest payments and dates thereof, redemption provisions, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, the holding of moneys in trust, the rights afforded the Swap Counterparty herein, if any, and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and shall be binding upon the Trustee and the Bondholders notwithstanding the release and discharge of the lien of this Indenture.

Any Bond shall be deemed to be paid within the meaning of this Article when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either

(a) shall have been made or caused to have been made in accordance with the terms thereof, or

(b) shall have been provided for by irrevocably depositing with the Trustee, in trust and exclusively for such payment, (i) moneys sufficient to make such payment, (ii) non-callable direct general obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, maturing as to principal and interest in such amounts and at such times as shall insure the availability of sufficient moneys to make such payments, or (iii) a combination of such moneys and obligations, and all necessary and proper fees and expenses of and other amounts owing to the Trustee, the Administrator or the Issuer, with respect to which such deposit is made shall have been paid or deposited with the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture, and all liability of the Issuer with respect to such Bond shall cease, terminate, and be completely discharged and extinguished except for the purposes of registration and exchange of Bonds, and replacement of mutilated, lost, stolen or destroyed Bonds, and the holders thereof shall be entitled to payment solely out of the moneys or securities so deposited.

Notwithstanding the foregoing, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid unless:

(a) such deposit is made either from the proceeds of refunding bonds or there shall have been delivered to the Trustee an opinion of Bankruptcy Counsel to the effect that payment of such moneys to Bondholders would not constitute a voidable preference under Section 547 of the Bankruptcy Code in the event the Issuer or a Participant were to become a debtor under the Bankruptcy Code;

(b) the Trustee has received a letter from each Rating Agency then rating the Bonds that such deposit shall not cause the rating then assigned to the Bonds by such Rating Agency to be lowered or eliminated; and

(c) the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

- (i) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted or required by this Indenture);
- (ii) to call for redemption pursuant to this Indenture any Bonds to be redeemed prior to maturity pursuant to (i) hereof, and
- (iii) to mail, as soon as practicable, in the manner prescribed by Article III hereof, a notice to the Owners of such Bonds that such deposit has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, of said Bonds as specified in Clause (i) of this paragraph.

Any moneys so deposited with the Trustee as provided in this Article may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Article which is not required, as evidenced by a report of an Accountant, for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be used as otherwise permitted by this Indenture.

No such deposit under this Article shall be made or accepted hereunder and no use made of any such deposit unless the Trustee shall have received an Opinion of Bond Counsel to the effect that such deposit and use would not cause the Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code.

Notwithstanding any provision of any other Article of this Indenture which may be contrary to the provisions of this Article, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of the Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds

(including interest thereon) with respect to which such moneys or obligations have been so set aside in trust.

Anything in Article XII to the contrary notwithstanding, if moneys or obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of the Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Owner of each Bond affected thereby.

ARTICLE X.
**DEFAULT PROVISIONS AND REMEDIES OF
TRUSTEE AND BONDHOLDERS**

Section 10.01 Defaults; Events of Default.

The following events shall constitute an “Event of Default” or “Events of Default”:

(a) A failure to pay when the same shall become due and payable, interest on or principal of any Bond (whether at maturity, by acceleration, redemption or otherwise) or the payment of any Swap Payment; or

(b) Any other default in the payment or default in the performance or observance of any covenant, agreement or condition on the part of the Issuer contained in this Indenture or in the Bonds (other than defaults mentioned in Section 10.01(a) and other than the failure to pay a Termination Payment) and failure to remedy the same after notice of the default pursuant to Section 10.11.

Section 10.02 Acceleration.

The occurrence of an Event of Default described in Section 10.01(a), the Trustee shall, by notice to the Issuer, the Bondholders, and the Administrator, declare the entire unpaid principal of and interest on the Bonds immediately due and payable and, thereupon, the entire unpaid principal of and interest on the Bonds shall forthwith become immediately due and payable.

Upon the occurrence of an Event of Default described in Section 10.01(b), the Trustee shall, upon the written request of the Holders of 50% in aggregate principal amount of Bonds then Outstanding, by notice to the Issuer, the Administrator and the Bondholders declare the entire unpaid principal of and interest on the Bonds immediately due and payable and, thereupon, the entire unpaid principal of and interest on the Bonds shall forthwith become due and payable.

If the Bonds are accelerated, the Issuer shall forthwith pay to the Holders of the Bonds the entire unpaid principal of and accrued interest on the Bonds, but only from the Revenues herein specifically pledged for such purpose. In the event the Trustee fails to accelerate as required by this Section 10.02, the owners of a majority in aggregate principal amount of Bonds Outstanding shall have the right to take such actions.

Section 10.03 [Reserved]

Section 10.04 Remedies; Rights of Bondholders.

Upon the occurrence of an Event of Default, the Trustee shall have the following rights and remedies:

(a) The Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Bonds then Outstanding, including enforcement of any rights of the Issuer or the Trustee hereunder or under the Loan Agreements or any documents securing them.

(b) The Trustee may by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Owners of the Bonds and shall then take such action with respect to the Loan Agreements as the Trustee shall deem necessary or appropriate and in the best interest of the Bondholders, subject to the terms of the Loan Agreements, including the sale or assignment of part or all of the Loan Agreements.

(c) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

If an Event of Default shall have occurred, the Trustee may, and if requested so to do by the Owners of 50% or more in aggregate principal amount of all Bonds then Outstanding, and in either case indemnified as provided in Section 11.01(l), shall be obligated to exercise such one or more of the rights and powers conferred by this section as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Bondholders.

No right or remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to the Trustee or to the Bondholders hereunder as now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or exercise of any other right or remedy.

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

No waiver of any default or Event of Default hereunder, whether by the Trustee or the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 10.05 **[Reserved.]**

Section 10.06 **Appointment of Receivers.**

Upon the occurrence of an Event of Default and the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 10.07 **Application of Moneys.**

Subject to the provisions of Section 7.02 hereof, all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee (including fees and expenses of its counsel) or the Issuer, be deposited in the Revenue Fund, along with any other moneys available for such purposes:

(a) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied equally and ratably, to the payment to the persons entitled thereto of all amounts payable pursuant to Section 5.05(b)(i), provided that if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege.

(b) If the principal amount of all the Bonds shall have become due, all such moneys shall be applied, equally and ratably, to the payment of the principal amount thereof and accrued interest then due and unpaid upon the Bonds and to the Swap Payments, 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 any of the foregoing over any Swap Payment or of any Swap Payment over any of the foregoing, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege, and then amounts shall be used to make any Termination Payments to the extent such amounts are paid from the Discretionary Fund or pursuant to the Covenant Agreement.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of Bonds to be paid on such dates shall cease to accrue. The Trustee shall by first class mail, postage prepaid, notify Bondholders of the Record Date and the time and place at which defaulted principal and interest is to be paid. Such notice shall be mailed to the persons in whose name the Bonds are registered at the close of business on the fifth day preceding the date of mailing. The Trustee shall not be required to make payment of principal to the owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal or redemption prices on all Bonds and all Swap Payments have been paid under the provisions of this Section and all expenses and charges of and other amounts payable to the Trustee, the Administrator and the Issuer have been paid, any balance remaining in the Funds shall be paid to the Issuer as provided in Section 5.14.

Section 10.08 Remedies Vested in the Trustee.

All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding related thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs any owners of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the owners of all the Outstanding Bonds in accordance with their respective interests in the Trust Estate.

Section 10.09 Termination of Proceedings.

In case the Trustee, or any Owner of any Bonds shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee, the Swap Counterparty, if any, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and with regard to the property herein subject to this Indenture, and all rights, remedies and powers of the Trustee and the owners of the Bonds shall continue as if no such proceedings had been taken.

Section 10.10 Waivers of Events of Default.

The Trustee may, at its discretion, waive any Event of Default hereunder and its consequences and may rescind any declaration of acceleration of all the Bonds, and shall do so upon the written request of the Owners of (a) a majority in aggregate principal amount of Bonds then Outstanding in respect of which default in the payment of principal and/or interest exists, or (b) a majority in aggregate principal amount of all Bonds then Outstanding in the case of any other default; provided, however, that there shall not be waived without the consent of the holders of all Bonds then Outstanding (i) any default in the payment of the principal of any Outstanding Bond at the date of maturity specified therein or date of prior redemption or (ii) any default in the payment when due of the interest on any Outstanding Bond, unless prior to such waiver all arrears of interest or all arrears of payments of principal or redemption price then due (other than accelerated principal), as the case may be, with interest on overdue principal and redemption price and interest at the rate borne by such Bond and all expenses of the Trustee in connection with such default, shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any consequent right thereon. No waiver hereunder shall affect the rights of third parties to payment of amounts provided for hereunder.

Section 10.11 Notice of Defaults under Section 10.01 (b); Opportunity of the Issuer to Cure Such Defaults.

Anything herein to the contrary notwithstanding, no default under Section 10.01(b) shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer and the Administrator by the Trustee or the Owners of not less than 50% in aggregate principal amount of all Bonds then Outstanding, and the Issuer shall have had 60 days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided, however, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer within the applicable period and diligently pursued until the default is corrected.

With regard to any alleged default concerning which notice is given to the Issuer under the provisions of this section, the Issuer hereby grants the Trustee full power and authority, on behalf of the Issuer, to perform any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Issuer, with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts and with power of substitution.

ARTICLE XI.
THE TRUSTEE

Section 11.01 **Acceptance of the Trusts.**

The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default hereunder or under a Loan Agreement of which the Trustee is deemed to have notice and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and the Loan Agreements. In case an Event of Default hereunder or under a Loan Agreement of which the Trustee is deemed to have notice has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent Trustee would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, or receivers, but the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder, and the Trustee shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder and under the Loan Agreements, and may in all cases pay such reasonable compensation to all such attorneys, agents, and receivers as may reasonably be employed in connection with the trusts hereof and under the Loan Agreements. The Trustee may act upon the opinion or advice of any attorneys (who may but need not be the attorney or attorneys for the Issuer or a Participant), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein (except recitals of the Trustee), or in the Bonds (except in respect to any certificate of authentication endorsed on the Bonds by the Trustee) or in the Loan Agreements, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee.

(e) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder or under a Loan Agreement or Participant Note, except a failure by a Participant to make payments when due under a Loan Agreement or on a Participant Note, or a failure by the Issuer to cause to be made any of the payments of principal or redemption prices of, or interest on, the Bonds when due unless the Trustee shall be specifically notified in writing of such default by the Issuer or by any Owner of Bonds or a state or federal court. All notices or other instruments required by this Indenture or by a Loan Agreement to be delivered to

the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

(f) The Trustee shall be protected in acting upon and shall be conclusively entitled to rely upon any notice, request, consent, certificate (including the certificates of the officials of the Participants required pursuant to Section 6.07 hereof and under the Loan Agreements), order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons including any such documents signed by an Authorized Officer of the Issuer. The Trustee shall not unreasonably withhold its consent, approval or action to any reasonable request of the Issuer. Any action taken by the Trustee pursuant to this Indenture upon the request of the Issuer or upon the consent of any person who at the time of making such request or giving such consent is the Owner of any Bond shall be conclusive and binding upon all future Owners of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(g) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled in good faith to rely upon a Certificate signed by an Authorized Officer of the Issuer as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has notice or is deemed to have notice pursuant to Section 11.01(e) hereof, shall also be at liberty to accept a similar Certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a Certificate of the Chairman or the Secretary of the Issuer under its seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

(h) The permissive right of the Trustee to do things enumerated in this Indenture or in the Loan Agreements shall not be construed as a duty and it shall not be answerable for other than its gross negligence or willful misconduct.

(i) At any and all reasonable times, the Trustee, the Administrator and the duly authorized agents, attorneys, experts, engineers, accountants and representatives of any of said Persons shall have the right to inspect any and all of the books, papers and records of the Issuer pertaining to the revenues and receipts under the Loan Agreements and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises granted herein.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to

the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action under this Indenture, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses which it may incur and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct, by reason of any action so taken, but the Trustee may not require indemnity as a condition to declaring the principal of or interest on the Bonds to be due immediately under Section 10.02.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds, except to the extent required herein or by law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 11.02 Fees, Charges and Expenses of the Trustee.

The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and/or necessarily made or incurred by the Trustee in connection with such services, but solely from moneys deposited in the Revenue Fund and available therefor pursuant to Sections 5.05 and 10.07. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal or redemption price of or interest on any Bond upon the Trust Estate for the foregoing fees, charges and expenses incurred by it.

Section 11.03 Notice to Certain Persons If Default Occurs.

If the Trustee becomes aware of an Event of Default, then the Trustee shall promptly give written notice thereof by first-class mail to the Owners of all Bonds then Outstanding, shown by the registration books kept at the principal corporate trust office of the Trustee, and to the Administrator and the Issuer.

Section 11.04 Intervention by the Trustee.

In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Bonds, the Trustee may intervene on behalf of the Bondholders and shall do so if requested in writing by the Owners of at least 50% of the aggregate principal amount of the Bonds then Outstanding.

Section 11.05 Resignation by the Trustee.

The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 60 days' written notice by first-class mail to the Issuer, the Administrator and the Owner of each Bond; provided, however, that in no event shall such resignation take effect until the appointment of a successor Trustee and the acceptance of such appointment by such successor as provided in Sections 11.08 and 11.09. Upon receiving such notice of resignation,

the Issuer shall promptly appoint a successor Trustee. If no successor Trustee shall have been so appointed and accepted such appointment within 60 days of mailing the notice of such resignation to the Owners of the Bonds, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, or the Owners of at least 50% of the aggregate principal amount of the Bonds may petition any such court for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor Trustee as provided in Sections 11.08 and 11.09.

Section 11.06 Removal of the Trustee.

The Trustee may be removed at any time for just cause, by an instrument or concurrent instruments in writing delivered to the Issuer, the Trustee, and the Administrator and signed by the Owners of a majority in aggregate principal amount of all Bonds then Outstanding.

The Issuer may remove the Trustee at any time for just cause so long as there is no default by the Issuer and no Event of Default then in existence or continuing under this Indenture.

Section 11.07 Successor Trustee by Merger.

Any corporation or association into which any Trustee hereunder may be merged or converted, with which it may be consolidated, or to which it may transfer or sell all or substantially all or its assets, or any corporation or association resulting from any merger, conversion, consolidation or sale to which any Trustee hereunder shall be a party, shall be the successor trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding, provided, however, that any such successor corporation or association continuing to act as Trustee hereunder shall meet the requirements of Sections 11.09 and 11.10(d) hereof, and if such corporation or association does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article XI.

Section 11.08 Appointment of a Successor Trustee by the Bondholders; Temporary Trustee.

In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Owners of a majority in aggregate principal amount of all Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized and a copy of which shall be delivered personally or sent by registered mail to the Issuer and the Administrator. Nevertheless, in case of such vacancy or resignation, the Issuer shall appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondholders in the manner above prescribed; and any such temporary Trustee so appointed shall immediately and without further act be superseded by any Trustee so appointed by such Bondholders. Notice of the appointment of a successor Trustee shall be given in the same manner as provided herein with respect to the resignation of a Trustee.

Notwithstanding any other provision of this Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor shall be appointed.

Section 11.09 Concerning Any Successor Trustee.

Every successor Trustee appointed hereunder shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$50,000,000.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but any such predecessor shall, nevertheless, on the written request of the Issuer, or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities, moneys, documents and other property held by it as Trustee hereunder to its successor hereunder. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor Trustee in each recording office where this Indenture shall have been filed or recorded.

Section 11.10 Appointment of Co-Trustee.

(a) If at any time or times the Authority or the Trustee shall have determined, or shall have been advised by counsel satisfactory to it, that it is necessary or prudent to appoint a Co-Trustee under this Section in order to (i) separate (or provide for the joint undertaking of) certain of the rights, powers, duties and obligations conferred or imposed upon the Trustee; (ii) comply with the legal requirements of any applicable jurisdiction; or (iii) effectuate the exercise of the powers, rights or remedies of the Trustee hereunder, then the Trustee and/or Authority shall be entitled, without the consent of any Participant or Bondholder, and regardless of whether an Event of Default hereunder shall have occurred, to appoint one or more additional institutions (which each shall meet the specifications for a successor trustee under Section 11.09 hereof) to serve as a co-trustee hereunder (a “Co-Trustee”), with such powers as may be provided in the instrument of appointment, and to vest in each such institution any property, title, right or power deemed necessary or desirable, subject to the provisions of this Section 11.10.

(b) Each Co-Trustee shall, to the extent permitted by applicable law, be appointed subject to the following terms:

(i) The rights, powers, duties and obligations conferred or imposed upon any such Co-Trustee shall not be greater than those conferred or imposed upon the Trustee.

(ii) The Authority, or the Trustee, may at any time accept the resignation of and the Authority may remove any Co-Trustee appointed under this Section 11.10 in the same manner as stated in this Article XI with respect to resignation and removal of the Trustee.

(iii) No Co-Trustee under this Indenture shall be liable by reason of any act or omission of the Trustee or any other Co-Trustee appointed under this Indenture.

(iv) Anything herein contained to the contrary notwithstanding, no power given to any Co-Trustee hereunder shall be separately exercised by such Co-Trustee except at the written direction of the Authority with notice to the Trustee.

(c) Should any instrument in writing from the Authority be required by the Co-Trustee so appointed or removed by the Trustee in order to vest in and confirm to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. In case any Co-Trustee, or a successor shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee.

(d) In addition to the provisions of Sections 11.05, 11.06 and 11.09, any Trustee or Co-Trustee appointed hereunder shall resign if requested by the Authority, or may be removed by the Authority, if the long-term unsecured senior debt rating (not taking into account any third party credit enhancement) of such Trustee or Co-Trustee, as applicable, is below “A2” as determined by Moody’s or below “A” as determined by S&P.

(e) The Trustee shall promptly give the Issuer and each Swap Counterparty written notice of the appointment of a separate Trustee or Co-Trustee under this Indenture.

Section 11.11 Certain Notices.

The Trustee shall give notice to each Rating Agency of (a) any change of the Trustee under this Article XI, (b) any change, modification, alteration, termination, expiration, amendment of or supplement to this Indenture, any Swap Agreement, or any Loan Agreement authorized under Articles IX, XII and XIII hereof, or (c) any defeasance or redemption, in full or in part, of the Bonds.

The Issuer shall give written notice to the Trustee, each Swap Counterparty and the Administrator in the event of any change or reduction in the ratings of the Bonds or any Eligible Credit Enhancer which has issued Eligible Credit Enhancement.

Section 11.12 Continuing Disclosure.

The Trustee is hereby appointed as the dissemination agent for purposes of compliance with the requirements of Rule 15(c)2-12 of the Securities and Exchange Commission. The Trustee shall disseminate all information furnished by the Issuer or its agents or the Participants, or the Swap Counterparty, if any, required to be disseminated under the Rule. The Trustee shall

also prepare and disseminate annually the information required to be updated from the Official Statement to comply with such Rule.

ARTICLE XII.
SUPPLEMENTAL INDENTURES

Section 12.01 **Supplemental Indentures Not Requiring Consent of Bondholders.**

The Issuer and the Trustee may, without the consent of or notice to any of the Bondholders, enter into any indenture or indentures supplemental to this Indenture for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee or to make any change which in the judgment of the Trustee is not to the detriment of the Bondholders;
- (c) To subject to this Indenture additional revenues, properties or collateral;
- (d) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939, as amended, or similar federal statute;
- (e) To evidence the appointment of a Co-Trustee or the succession of a new Trustee hereunder;
- (f) To provide for separate accounts within the Funds established pursuant to Article V;
- (g) To provide for certificated Bonds as contemplated by Section 2.08(c)(vii) hereof;
- (h) To make any change to reflect any provision in the Code or the interpretations thereof by the Internal Revenue Service, provided that such change does not materially adversely affect the rights of any Bondholder;
- (i) To make any change not materially adversely affecting any Bondholder's rights requested by any Rating Agency in order (i) to obtain a rating from such Rating Agency after the initial issuance of the Bonds if the Bonds are initially issued without a rating or (ii) to maintain any rating on the Bonds;
- (j) To make any change necessary to obtain Eligible Credit Enhancement; or

(k) To make any other change that does not materially adversely affect the rights of any Bondholder.

Section 12.02 Supplemental Indentures Requiring Consent of Bondholders.

Exclusive of supplemental indentures covered by Section 12.01 and subject to the terms and provisions contained in this Section 12.02, and not otherwise, the Owners of not less than 50% in aggregate principal amount of the Bonds then Outstanding which are affected shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer or the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing in this Section contained shall permit, or be construed as permitting (a) without the consent of the Owners of all then Outstanding Bonds, (i) an extension of the maturity date of the principal of or the interest on any Bond, or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture, or (v) the creation of any lien other than a lien ratably securing all of the Bonds at any time Outstanding hereunder, or (b) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed by first-class mail to the Program Administrator, and to each Owner of a Bond at the address shown on the registration books. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within 60 days or such longer period as shall be prescribed by the Issuer, following the mailing of such notice, the Owners of not less than [two-thirds] in aggregate principal amount of the Bonds Outstanding which are affected at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right 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 Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

Section 12.03 Required Opinions.

No supplemental indenture entered into pursuant to this Article XII shall be effective unless there shall have been provided to the Issuer a Favorable Opinion of Bond Counsel with respect thereto and an opinion of Counsel to the effect that such supplemental indenture has been

duly authorized, executed and delivered by the parties thereto and that the requirements of this Article XII have been satisfied in connection therewith.

Section 12.04 Supplemental Indentures Requiring Consent of Eligible Credit Enhancers.

Any Supplemental Indenture which would adversely affect the rights and interests of an Eligible Credit Enhancer shall not be effective until all Eligible Credit Enhancers affected thereby have consented thereto.

ARTICLE XIII.
AMENDMENT OF AGREEMENTS AND PARTICIPANT NOTES

Section 13.01 Amendments without Consent of Bondholders.

The Issuer and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of any previously executed and delivered Loan Agreement or Participant Notes so long as such amendment, change or modification does not adversely affect the interest of Bondholders or any Swap Counterparty. The Program Administrator shall review all such proposed amendments and provide a recommendation with respect thereto to the Issuer. No material amendment, change or modification to a Loan Agreement or Participant Note which adversely affects the interest of Bondholders or any Swap Counterparty shall be effective, and the Program Administrator and the Issuer shall not give their respective consents or approvals thereto, unless the consent of the Guarantor, if any, so long as the Guarantor is not in default of its Guarantee, and the Eligible Credit Enhancer for the Loan, so long as the Eligible Credit Enhancer is not in default on its obligations under the Eligible Credit Enhancement, and the Swap Counterparty, if any, so long as the Swap Counterparty is not in default of its obligations under a Swap Agreement, is obtained. The Trustee shall join in any amendment approved by the Issuer.

ARTICLE XIV.
GENERAL COVENANTS

Section 14.01 Payment of Bonds.

The Issuer covenants that it shall promptly pay the principal, interest or redemption price on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, and that it shall pay or cause to be paid to the Trustee, by 1:30 p.m., on or before the day each such payment of the principal, interest or redemption price is due, an amount sufficient to make each such payment; provided, that the principal, interest or redemption price is payable by the Issuer solely from the Revenues or moneys provided by the Covenant Agreement, and nothing in the Bonds or this Indenture shall be considered as assigning or pledging any other funds or assets or rights of the Issuer other than the Revenues and the right, title and interest of the Issuer in the Loan Agreements and any other property mentioned in the Granting Clauses hereof.

Section 14.02 Performance of Covenants; the Issuer.

The Issuer covenants that it shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Issuer covenants that it is duly authorized under the Constitution and laws of the State, including particularly the *Act*, to issue the Bonds authorized hereby and to execute this Indenture, and to evidence amounts payable thereunder and its interest in any security therefor, and to pledge the Revenues, the Participant Notes and any other property hereby pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken, and that the Bonds in the hands of the Owners thereof are and shall be valid and enforceable obligations of the Issuer according to the terms thereof and hereof.

Section 14.03 Instruments of Further Assurance.

The Issuer agrees that the Trustee may defend its rights to the payments of the Revenues and the Participant Notes for the benefit of the Owners of the Bonds against the claims and demands of all persons whomsoever. The Issuer covenants that it shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging, assigning and confirming unto the Trustee all and singular the rights assigned hereby and the amounts and other property pledged hereby to the payment of the principal or redemption price of and interest on the Bonds. The Issuer covenants and agrees that, except as provided herein or in the Loan Agreements, it shall not sell, convey, assign, pledge, encumber or otherwise dispose of any part of the Participant Notes or the Revenues or its rights under the Loan Agreements or any security therefor or any other property pledged to secure the Bonds.

Section 14.04 Recording and Filing.

The Trustee shall keep or cause to be kept all financing statements related to this Indenture and all supplements hereto, the Loan Agreements and all supplements thereto and such other documents that are delivered to the Trustee as may be necessary to be filed in such manner and in such places, and, except to the extent otherwise expressly stated in or contemplated by this Indenture, the Trustee shall maintain continuous possession of any portions of the Trust Estate in which a security interest may not be perfected by filing, as may be required by law in order to preserve, protect, and perfect fully the security of the Owners of the Bonds and the rights of the Trustee hereunder. The Issuer shall cooperate with the Trustee in accomplishing the filing of any financing statements to be filed in connection therewith.

Section 14.05 Rights under the Loan Agreements and Participant Notes.

The Participant Resolutions, the Participant Notes and the Loan Agreements set forth covenants and obligations of the Issuer and the Participants, including provisions that the Loan Agreements and Participant Notes may not be effectively amended without the concurring written consent of the Trustee, as provided in Article XIII, and reference is hereby made to the Loan Agreements, the Participant Resolutions and the Participant Notes for a detailed statement of said covenants and obligations of the Participants under the Loan Agreements, and the Issuer agrees that the Trustee in its name or, to the extent permitted by law, in the name of the Issuer, may enforce all rights of the Issuer and all obligations of the Participants under the Participant Resolutions and the Participant Notes and the Loan Agreements, and any documents securing them (and waive the same, except for rights expressly granted to the Issuer and not assigned to the Trustee hereunder) on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

Section 14.06 Possession and Inspection of Loan Agreements and Participant Notes.

The Trustee shall retain possession of the Participant Notes and an executed copy of each Loan Agreement, and shall surrender Participant Notes and release any Loan Agreement only in accordance with the provisions of this Indenture, the Participant Notes and the Loan Agreements.

Section 14.07 Indemnification of the Trustee.

The Issuer, to the extent legally permissible but solely from its interest in the Trust Estate, shall pay, and shall protect, indemnify and save the Trustee (including all officers, employees, agents and attorneys thereof) harmless from and against any and all liabilities, losses, damages, costs and expenses (including reasonable attorneys' fees and expenses of the Issuer and the Trustee), causes of action, suits, claims, demands and judgments of whatsoever kind and nature arising out of the issuance, offering, sale, delivery, payment and purchase of the Bonds, the execution and delivery of the Indenture, the Loan Agreements, any resolution of the Issuer in connection with the foregoing and the performance by the Trustee of its respective duties and responsibilities hereunder and under the Loan Agreements, except that the Issuer shall not be required to indemnify the Trustee for its own gross negligence or willful misconduct. The Trustee shall promptly notify the Issuer in writing of any claim or action brought against the Trustee in respect of which indemnity may be sought against the Issuer, setting forth the

particulars of such claim or action, and the Issuer may assume the defense thereof, including the employment of Counsel and the payment of all expenses. The Trustee may employ separate Counsel in any such action and participate in the defense thereof, but the fees and expenses of such Counsel shall not be payable by the Issuer unless such employment has been specifically authorized by the Issuer; provided, however, the Issuer shall authorize employment of such separate counsel if counsel retained by the Issuer shall advise the Trustee in writing that the interests of the Trustee and any other parties such counsel may represent in such action are in conflict. The indemnification provided in this Section shall survive the termination or discharge of this Indenture.

Section 14.08 No Recourse Against Members, Directors, or Officers of Issuer.

No recourse under, or upon, any statement, obligation, covenant, certificate, or agreement contained in this Indenture, or in any Bond, any Loan Agreement, any Investment Agreement, or in any document or certification whatsoever, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of this Indenture, any Bond, any Loan Agreement, or the Investment Agreement, shall be had against any incorporator, member, director or officer, as such, past, present, or future, of the Issuer, either directly or through the Issuer or otherwise, for the payment for, or to, the Issuer or any receiver thereof, or for, or to, the Owner of any Bond or otherwise of any sum that may be due and unpaid by the Issuer upon any such Bonds, including the interest payable thereon. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such incorporator, member, director, or officer, as such, to respond by reason of any act or omission on his or her part or otherwise for, directly or indirectly, the payment for, or to, the Issuer or any receiver thereof, or for, or to, the Owner of any Bond issued hereunder or otherwise, of any sum that may remain due and unpaid on the Bonds, including the interest payable thereon, is hereby expressly waived and released as a condition of, and consideration for, the execution of this Indenture and the issuance of the Bonds.

Section 14.09 Issuer to be Bound by Covenant Agreement.

The Issuer acknowledges that it has approved, executed and delivered the Covenant Agreement in the form attached hereto as Exhibit "D" and covenants and further agrees that the Covenant Agreement shall apply in all respects to the Bonds issued pursuant to this Indenture.

ARTICLE XV.
MISCELLANEOUS

Section 15.01 Consents, etc., of Bondholders.

Any consent, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of the Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

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

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of the Bonds, and the date of owning the same shall be proved by the registration books of the Issuer maintained by the Trustee.

Section 15.02 Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person or company other than the parties hereto, and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions herein contained; this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, and the Owners of the Bonds as herein provided.

Section 15.03 Severability.

If any provision of this Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 15.04 Notices.

Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first-class mail, postage prepaid, or sent by telegram or telex, addressed to the parties as follows:

Issuer: Delaware Valley Regional Finance Authority
1811 Bethlehem Pike
Flourtown Commons, Suite 350
Flourtown, PA 19031

Trustee: TD Bank, N.A.
TD Wealth Management
Institutional Trust
1006 Astoria Boulevard
Cherry Hill, NJ 08034

Administrator: Calhoun, Baker Inc.
1811 Bethlehem Pike
Flourtown Commons, Suite 350
Flourtown, PA 19031
Attention: Lucien B. Calhoun

S&P: Standard & Poor's Ratings Services
Municipal Finance Department
55 Water Street
New York, New York 10041
Attention: Rating Desk

Moody's: Moody's Investors Service, Inc.
7 World Trade Center
250 Greenwich Street
New York, New York 10007
Attention: Rating Desk

Swap Counterparty: To the notice address set forth in the applicable Swap Agreement

The parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 15.05 Payments Due on Non-Business Days.

In any case where the date of payment of principal of or interest on the Bonds or the date fixed for redemption of any Bonds shall not be a Business Day, then payment of such interest or principal or the redemption price may be made on the succeeding Business Day with the same force and effect as if made on the scheduled date of payment or maturity, or the date fixed for redemption, without payment of any extra accrued interest.

Section 15.06 Counterparts.

This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.07 Applicable Provisions of Law.

This Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the DELAWARE VALLEY REGIONAL FINANCE AUTHORITY has caused this Indenture, amended and restated as of December 8, 2014, to be executed on its behalf by the Authorized Officers set forth below.

Dated as of: December 8, 2014

**DELAWARE VALLEY REGIONAL
FINANCE AUTHORITY**



JOHN P. MCBLAIN
Chairman

ATTEST:



JOHN J. CAMERO, III
Assistant Secretary

IN WITNESS WHEREOF, TD Bank, N.A., as Trustee, has caused this Indenture, amended and restated as of December 8, 2014, to be executed and its seal to be impressed hereon by one of its duly authorized officers.

TD BANK, N.A. as Trustee

Dated as of: December 8, 2014

TD BANK, N.A., as Trustee

STEPHEN R. SCHAAF
Vice President

(SEAL)

EXHIBIT "A"
FORM OF BONDS

No. _____ \$ _____

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

DELAWARE VALLEY REGIONAL FINANCE AUTHORITY
Local Government Revenue Bonds
Series of 2002

SERIES ISSUE DATE CUSIP
May 1, 2002 _____

MATURITY DATE INTEREST RATE
_____ _____ %

REGISTERED OWNER:

PRINCIPAL AMOUNT:

Delaware Valley Regional Finance Authority (the "Issuer"), a body corporate and politic of the Commonwealth of Pennsylvania organized and existing under the Municipality Authorities Act of 1945, approved May 2, 1945, P.L. 382, as heretofore and hereafter amended (the "Act"), for value received, promises to pay to the registered owner specified above, or registered assigns, upon surrender hereof, but solely from the sources and in the manner referred to herein, the Principal Amount specified above on the Maturity Date specified above, unless this Bond has been called for earlier redemption and payment of the redemption price shall have been duly made or provided for, and to pay from those sources interest thereon, at the Interest Rate set forth above, from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for or from the Series Issue Date specified above if no interest has been paid, until the Principal Amount is paid or duly provided for, commencing on the first Interest Payment Date on or after the Date of Authentication hereof.

The principal of this Bond is payable upon presentation and surrender hereof at the principal corporate trust office of TD Bank, N.A. (the "Trustee") located in the State of Delaware, or at the duly designated office of any duly appointed alternate or successor trustee. Interest on this Bond is payable on each January 1 and July 1, commencing January 1, 2003, or if any such day is not a Business Day, then the next succeeding Business Day (each an "Interest

Payment Date”) by check or draft mailed to the registered owner of this Bond (the “Holder”) in whose name ownership of this Bond is registered, at such Holder’s address as it appears on the registration books (the “Register”) for the issue of which this Bond is a part maintained by the Trustee at the close of business on the Record Date, which shall be the 15th day of the calendar month (whether or not a Business Day, as hereinafter defined) next preceding an Interest Payment Date (the “Record Date”). Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder as of the Record Date, and shall be payable to the Holder in whose name this Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee for the payment of such overdue interest. Notice of the Special Record Date shall be mailed to Holders not less than ten days prior thereto. The interest and the principal or redemption price becoming due with respect to the Bonds shall, at the written request of the Holder of at least \$1,000,000 aggregate principal amount of such Bonds (which request shall include an agreement to pay the Trustee’s reasonable charges in connection therewith, and which request shall remain in effect until revoked by subsequent written instructions), be paid by wire transfer within the continental United States in immediately available funds to the bank account number of such Holder appearing on the Register, but, in the case of principal or redemption price, only upon presentation and surrender of such Bonds at the principal corporate trust office of the Trustee. The principal or redemption price of and interest on this Bond are payable in lawful money of the United States of America. Overdue payments of principal of and (to the extent lawful) interest on this Bond shall bear interest at the rate borne by this Bond at the time of such overdue payment.

If the date for payment of the principal of or interest on this Bond shall not be a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such date shall have the same force and effect as if made on the scheduled date of payment. “Business Day” means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, or the city or cities in which the corporate trust office of the Trustee are authorized by law or executive order to close or (c) a day on which the New York Stock Exchange is closed.

This Bond is one of a duly authorized issue of Local Government Revenue Bonds, Series of 2002 (the “Bonds”), issued under and secured by a Trust Indenture dated as of May 1, 2002 (the “Indenture”) between the Issuer and the Trustee, in the aggregate principal amount of \$375,000,000. The Issuer expects to enter into individual Loan Agreements (each a “Loan Agreement,” and collectively, the “Loan Agreements”) with certain local government units, or with other political subdivisions whose obligations under such Loan Agreements are guaranteed by a local government unit (each a “Participant” and collectively, the “Participants”) providing for the loan of the proceeds of the Bonds to finance certain costs of Projects to be more fully described in the Loan Agreements (the “Projects”) to be owned and operated, respectively, by the respective Participants, and providing for loan payments to be made by the Participants. Each Participant will issue its Participant Note (each a “Note” and collectively, the “Notes”) to evidence its obligation to make payments under its Loan Agreement. The Bonds have been issued by the Issuer to aid in the financing of the Projects to accomplish the public purposes of the Act and the programmatic objectives of the Issuer. The Issuer has assigned or will assign to the Trustee as security for the Bonds under and pursuant to the Indenture, all of the Issuer’s right, title and interest in and to (i) the Loan Agreements and all amounts payable thereunder (except

for payments with respect to certain expenses and indemnification) (ii) the Notes, (iii) the Revenues; (iv) the Swap Agreements, if any, entered into with respect to the Bonds (except for payments with respect to certain expenses and indemnification), (v) the Investment Agreements (as such term is defined in the Indenture), (vi) the Eligible Credit Enhancement and (vii) all moneys and investments held by the Trustee from time to time in certain funds and accounts established under the Indenture (except for the Rebate Fund, as such term is defined in the Indenture).

THIS BOND IS A LIMITED OBLIGATION OF THE ISSUER AND IS PAYABLE SOLELY FROM THE SOURCES REFERRED TO HEREIN. NEITHER THE COMMONWEALTH OF PENNSYLVANIA NOR ANY POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND, AND THIS BOND SHALL NOT BE OR BE DEEMED AN OBLIGATION OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS BOND. THE ISSUER HAS NO TAXING POWER.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon, on the Indenture, or any other document or agreement executed and delivered in connection herewith or therewith (collectively, the “Bond Documents”), against any member, director, officer or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

The Bonds are payable solely from payments to be made by the Participants to the Trustee pursuant to the Loan Agreements and from any other moneys pledged to or held by the Trustee under the Indenture for such purpose, and there shall be no other recourse against the Issuer or any other property now or hereafter owned by it. Except as otherwise specified in the Indenture, this Bond is entitled to the benefits of the Indenture equally and ratably as to principal and interest with all other Bonds issued under the Indenture. No additional Bonds may be issued under the Indenture. Reference is made to the Bond Documents for a description of the rights of the Holders of the Bonds; the rights and obligations of the Issuer and the Participants; the rights, duties and obligations of the Trustee; and the provisions relating to amendments and modifications thereof. The acceptance of the terms and conditions of such documents (copies of which are on file at the principal corporate trust office of the Trustee), is an explicit and material part of the consideration of the Issuer’s issuance hereof and each Holder by acceptance of this Bond accepts and assents to all such terms and conditions as if fully set forth herein. The Holder shall have no right to enforce the provisions of any of the Bond Documents or the rights and remedies thereunder, except as provided in the Indenture. Capitalized terms used in this Bond which are not defined herein but which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

OPTIONAL REDEMPTION

This Bond is not subject to optional redemption prior to the Maturity Date.

EXTRAORDINARY MANDATORY REDEMPTION

The Bonds are subject to extraordinary redemption, in whole or in part, as follows:

On June 18, 2005, from any unloaned proceeds remaining in the Acquisition Fund, unless the Authority receives a written Favorable Opinion of Bond Counsel.

On the earlier of (i) the date that the Authority no longer reasonably expects to originate Loans or (ii) a period of one year following the receipt of each Participant principal repayment, beginning on June 18, 2006, from any unloaned proceeds remaining in the Recycling Fund unless extended as a result of a Favorable Opinion of Bond Counsel.

On any date, if the Authority, as a result of direction received from Bond Counsel, is required to take remedial action so that interest on the Bonds shall remain excluded from gross income for federal income tax purposes.

If redemption is required to be made, funds in the Acquisition Fund or the Recycling Fund shall be transferred to the Redemption Fund and such moneys shall be applied to purchase or redeem Bonds.

The Bonds which are subject to extraordinary redemption prior to maturity shall be called at the following redemption prices:

Date	Price	Date	Price

The redemption price of this Bond on any date, other than the dates as set forth above, shall equal (i) the price (calculated on the basis of a 30 day month and a 360 day year) on the date of redemption, assuming a ____% semiannual coupon, with a yield of __%, maturing on _____, plus (ii) __%.

GENERAL PROVISIONS

If less than all the Bonds are to be redeemed, the Authority shall determine the maturities of the Bonds to be redeemed. The particular Bonds to be called for redemption, from the maturities and order of maturities designated by the Authority, will be selected by The

Depository Trust Company, New York, New York (“DTC”) in accordance with its rules and procedures so long as DTC or its nominee is the sole registered owner of the Bonds, or if DTC, or its nominee, is not the registered owner, by lot or by such other method as the Trustee deems fair and appropriate.

If Bonds or portions thereof are called for redemption and if on the redemption date moneys for the redemption thereof are held by the Trustee, thereafter those Bonds, or portions thereof, to be redeemed shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under, the Indenture.

Any notice of redemption shall be given at not more than thirty (30) days and not less than fifteen (15) days prior to the date fixed for redemption, by mailing copies of such notice of redemption by first class mail, postage prepaid, to all the Holders of Bonds to be redeemed in whole or in part at the address shown on the Register, but failure to mail any such notice or defect in the mailing thereof in respect of any Bond shall not affect the validity of the redemption of any other Bond with respect to which notice was properly given. Each such notice of redemption shall contain the information set forth in Section 3.04 of the Indenture.

If an Event of Default as defined in the Indenture occurs, the entire unpaid principal of and interest on all Bonds issued under the Indenture may be declared due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

If at any time the Trustee holds moneys or securities as described in the Indenture sufficient to pay at redemption or maturity the principal or redemption price of and interest on all Bonds outstanding under the Indenture, and if all other sums then payable by the Issuer under the Indenture have been paid, then, subject to the provisions of the Indenture, the lien of the Indenture and other security held by the Trustee for the benefit of the Holders shall be discharged. After such discharge, Holders shall look only to the deposited moneys and securities for payment.

The Indenture permits certain amendments or supplements to the Indenture not materially prejudicial to the Holders to be made without the consent of or notice to the Holders, and other amendments or supplements thereto to be made with the consent of the Holders of not less than two-thirds, and under certain circumstances enumerated in the Indenture, all, Holders in aggregate principal amount of the Bonds outstanding. The Indenture also permits amendments to the Loan Agreements and/or the Notes to be made without the consent of or notice to the Holders. The Holder of each Bond has only those remedies provided in the Indenture.

The Bonds are issuable only as fully registered bonds in denominations of Five Thousand Dollars (\$5,000) or any multiple of \$5,000 in excess thereof, and are exchangeable For Bonds of other authorized denominations in equal aggregate principal amounts at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture. This Bond is transferable at the principal corporate trust office of the Trustee, by the Holder in person or by his attorney, duly authorized in writing, upon presentation and surrender hereof to the Trustee. The Trustee is not required to transfer or exchange (i) any Bond during a period beginning at the opening of business 15 days before the day of the mailing

of a notice of redemption of Bonds and ending at the close of business on the day of redemption, or (ii) any Bonds selected for redemption in whole or in part.

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

Unless this Bond is presented by an authorized representative of DTC to the Trustee or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its (Vice) Chairman, and its corporate seal or a facsimile thereof to be affixed, imprinted, lithographed or reproduced hereon and attested by the manual or facsimile signature of its Secretary.

[SEAL]

DELAWARE VALLEY REGIONAL
FINANCE AUTHORITY

By _____
Chairman

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture. Attached hereto is the complete text of the opinion of Blank Rome Comisky & McCauley LLP, Philadelphia, Pennsylvania, Bond Counsel, dated the date of initial delivery of and payment for the Bonds, a signed original of which is on file with the Trustee.

WILMINGTON TRUST COMPANY, as Trustee

By
Authorized Officer

DATE OF AUTHENTICATION:

_____, 2002

ASSIGNMENT

FOR VALUED RECEIVED, _____, the undersigned hereby sells, assigns and transfers unto: _____ (the "Transferee");

Address:

Social Security or Federal Employer Identification No.: _____, the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints as attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date:

NOTICE: No transfer will be made of the Transferee unless the signature(s) to this assignment correspond(s) with the name(s) appearing upon the face of the within bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settler and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust and the name of the trustee must be supplied.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Medallion Program (STAMP) or similar program.

EXHIBIT "B"
TERMS OF BONDS; MANDATORY REDEMPTION

**DELAWARE VALLEY REGIONAL FINANCE AUTHORITY
(Bucks, Chester, Delaware and Montgomery Counties, Pennsylvania)
Local Government Revenue Bonds
Series of 2002**

Dated: May 1, 2002

Due: \$125,000,000 due July 1, 2012
\$125,000,000 due July 1, 2017
\$125,000,000 due July 1, 2032

Interest Payable: January 1 and July 1, commencing
January 1, 2003

Extraordinary Redemption

The Bonds are subject to extraordinary redemption as follows:

On the earlier of (i) the date that the Authority no longer reasonably expects to originate Loans or (ii) a period of one year following the receipt of each Participant principal repayment, beginning on June 18, 2006, from any unloaned proceeds remaining in the Recycling Fund unless extended as a result of a Favorable Opinion of Bond Counsel.

On any date, if the Authority, as a result of direction received from Bond Counsel, is required to take remedial action so that interest on the Bonds shall remain excluded from gross income for federal income tax purposes.

If redemption is required to be made, funds in the Acquisition Fund or the Recycling Fund shall be transferred to the Redemption Fund and such moneys shall be applied to purchase or redeem Bonds.

The redemption prices for Bonds which are subject to extraordinary redemption prior to maturity shall be as follows:

EXHIBIT "C"
FORM OF LOAN AGREEMENT

EXHIBIT “D”
COVENANT AGREEMENT