

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

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Two Hundred Sixty-Third  
Supplemental  
Resolution Authorizing  
the Issuance of  
Multi-Family Housing Revenue Bonds,  
2018 Series B-2

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Adopted \_\_\_\_\_

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APPENDIX A

APPENDIX B

Two Hundred Sixty-Third  
Supplemental Resolution  
Authorizing the Issuance of  
Multi-Family Housing Revenue Bonds,  
2018 Series B-2

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BE IT RESOLVED by the Members of the NEW YORK CITY HOUSING DEVELOPMENT CORPORATION (the "Corporation") as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.1. Short Title. This resolution may hereafter be cited by the Corporation and is herein referred to as the "Two Hundred Sixty-Third Supplemental Multi-Family Housing Revenue Bond Resolution".

Section 1.2. Definitions. (A) All terms which are defined in Section 1.2 of the resolution of the Corporation adopted July 27, 1993 and entitled "Multi-Family Housing Revenue Bonds Bond Resolution", as amended (the "General Resolution"), have the same meanings, respectively, in this Two Hundred Sixty-Third Supplemental Multi-Family Housing Revenue Bond Resolution as such terms are given in said Section 1.2.

(B) In addition, as used in this Two Hundred Sixty-Third Supplemental Multi-Family Housing Revenue Bond Resolution:

"Acquired Project" shall mean a Project financed by a 2018 Series B Excess Revenues Mortgage Loan, which is not a 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance, or a 2018 Series B Purchased Mortgage Loan, title to or the right to possession of which has been acquired by the Corporation or another entity in accordance with the provisions of the Special Servicing Agreement through protection and enforcement of its rights conferred by law or the Mortgage upon such Project.

"Acquired Project Expenses" shall mean all costs and expenses arising from the acquisition, ownership, possession, operation or maintenance of an Acquired Project, including reasonable operating, repair and replacement reserves therefor.

"Acquired Project Gross Operating Income" shall mean all moneys received in connection with the acquisition, ownership, possession, operation or maintenance of an Acquired Project.

“Acquired Project Net Operating Income” shall mean Acquired Project Gross Operating Income less Acquired Project Expenses.

“Bank Bond” means any 2018 Series B-2 Bond for which the Purchase Price has been paid with moneys provided under a Liquidity Facility, as described in Section 804 of Appendix A hereto.

“Beneficial Owner” means, whenever used with respect to a 2018 Series B-2 Bond, the person in whose name such 2018 Series B-2 Bond is recorded as the beneficial owner of such 2018 Series B-2 Bond by a Participant on the records of such Participant or such person’s subrogee.

“Business Day” means any day other than (a) a Saturday or a Sunday, (b) any day on which banking institutions located in (i) the City of New York, New York or (ii) the city in which the Principal Office of the Trustee is located or (iii) the city in which the Principal Office of the banking institution at which demands for payment under a Liquidity Facility are honored are required or authorized by law to close, (c) a day on which the New York Stock Exchange is closed or (d) so long as any Series of Bonds is held in book-entry form, a day on which DTC is closed.

“Cap” means any financial arrangement entered into by the Corporation with an entity which is a cap, floor or collar, or any similar transaction or combination thereof or any option with respect thereto executed by the Corporation for the purpose of limiting its exposure with respect to interest rate fluctuations which has been designated in writing to the Trustee by an Authorized Officer as a Cap under the General Resolution. “Cap” shall also include any such financial arrangement described above entered into by the Corporation with an entity, as a replacement of a Cap that has been terminated and which has been so designated in writing to the Trustee by an Authorized Officer with respect to the General Resolution.

“Cap Receipts” means any amount actually received by the Corporation or the Trustee under a Cap.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor of DTC with respect to the 2018 Series B-2 Bonds.

“Change Date” means (i) each Interest Method Change Date or (ii) each Facility Change Date or (iii) a date not later than twenty-five (25) days after receipt by the Trustee of a “Notice of Termination Date” under a Liquidity Facility, which date shall be specified in the notice of the Trustee of the purchase of all 2018 Series B-2 Bonds of the applicable Series provided pursuant to Section 801(A) of Appendix A hereto or (iv) each Discretionary Tender Date.

“Daily Rate” means the rate of interest on a Series of 2018 Series B-2 Bonds described in Section 201 of Appendix A hereto.

“Daily Rate Period” means any period of time during which a Series of 2018 Series B-2 Bonds bears interest at the Daily Rate.

“Daily Rate Term” means, with respect to a Series of 2018 Series B-2 Bonds bearing interest at the Daily Rate, the period from and commencing on a Business Day and including and ending on the first day preceding the first Business Day thereafter.

“Debt Service Reserve Account Requirement” means, with respect to the 2018 Series B-2 Bonds, as of any date of calculation, an amount equal to [\_\_\_\_\_ percent (\_\_\_%)] of the principal amount of the 2018 Series B Bonds Outstanding.

“Demand Purchase Option” means, during any Daily Rate Period, Weekly Rate Period or Index Rate Period, the provision of a Series of 2018 Series B-2 Bonds for purchase of any 2018 Series B-2 Bond of such Series upon the demand of the owner thereof as described in Section 802 of Appendix A hereto.

“Designated Percentage” means, with respect to a particular application in this Supplemental Resolution, the percentage set forth in a Certificate of an Authorized Officer delivered to the Trustee upon the initial issuance and delivery of the 2018 Series B-2 Bonds, or on the date of remarketing of the 2018 Series B-2 Bonds with respect to the 2018 Series B-2 Bonds upon a remarketing thereof into an Index Rate Period, as such percentage may be changed from time to time and set forth in a Certificate of an Authorized Officer delivered to the Trustee accompanied by the written consent of the person or persons who the Trustee in its discretion determines are the Beneficial Owners of all of the affected 2018 Series B-2 Bonds.

“Discretionary Tender Date” means a date, specified by the Corporation (with the prior written consent of the Liquidity Provider, if any) in a written notice delivered to the Trustee, upon which all of the 2018 Series B-2 Bonds of a Series shall be subject to mandatory tender at the Purchase Price pursuant to Section 801 of Appendix A hereto; provided, however, that such date shall (i) not be earlier than fifteen (15) days following receipt by the Trustee of such written notice, (ii) be on or after the date on which such 2018 Series B-2 Bonds are subject to redemption at the option of the Corporation pursuant to Section 102 of Appendix A hereto, and (iii) be a Reset Date that is a Business Day (or the first Business Day next succeeding a Reset Date that is not a Business Day) during any Index Rate Period.

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

“Excess Revenues” means, as of each April 1 and October 1, the amount equal to the cumulative amount to date defined in the Participation Agreement as “Excess Revenues,” less the amount required by Section 5 of the Participation Agreement to be subtracted therefrom for purposes of payment of accrued and unpaid HDC Amount (as defined in the Participation Agreement).

“Facility Change Date” means (i) any date on which a new Liquidity Facility replaces a prior Liquidity Facility, or (ii) the date which is two (2) Business Days prior to any date on which a Liquidity Facility terminates (except as may be provided in such Liquidity Facility) or expires and is not extended or replaced by a new Liquidity Facility.

“Federal Funds Rate” means that the rate for a Reset Date will be the rate set forth on the Bloomberg Screen FEDL Page for that day. If, by 5:00 p.m., New York City time, on the

day that is one New York City banking day following the Reset Date, such rate for the Reset Date does not appear on the Bloomberg Screen FEDL Page or is not yet published in H.15(519), the rate for that Reset Date will be the rate set forth in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, for that day opposite the caption “Federal funds (effective)”. If, by 5:00 p.m., New York City time, on the day that is one New York City banking day following the Reset Date, such rate for the Reset Date does not appear on the Bloomberg Screen FEDL Page or is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source, the rate for that Reset Date will be the rate for the first preceding day for which such rate is set forth in H.15(519) opposite the caption “Federal funds (effective)”, as such rate is displayed on the Bloomberg Screen FEDL Page.

“Federal Housing Commissioner” means the Secretary of HUD (or successor thereof) or the Federal Housing Commissioner of the Federal Housing Administration (or successor thereof) or a duly authorized agent thereof.

“FHA Insurance” means the Federal mortgage insurance authorized pursuant to Section 220, 221(d)(3), 221 (d)(4) or 223(f) of Title II of the National Housing Act of 1934, as amended.

“FHA Risk-Sharing Insurance” means the Federal mortgage insurance authorized pursuant to Section 542(c) of the Housing and Community Development Act of 1992.

“Fixed Rate” means the rate or rates of interest on a Series of 2018 Series B-2 Bonds described in Section 701 of Appendix A hereto.

“Fixed Rate Conversion Date” shall have the meaning set forth in Section 701(A) of Appendix A hereto.

“Fixed Rate Period” means any period of time during which a Series of 2018 Series B-2 Bonds bears interest at the Fixed Rate.

“Flexible Rate” means, with respect to any particular 2018 Series B-2 Bond during a Flexible Rate Term, the rate of interest on such 2018 Series B-2 Bond described in Section 501 of Appendix A hereto.

“Flexible Rate Period” means any period of time during which a Series of 2018 Series B-2 Bonds bears interest at the Flexible Rate.

“Flexible Rate Start Date” shall have the meaning specified in Section 501(A) of Appendix A hereto.

“Flexible Rate Term” shall have the meaning specified in Section 501(D) of Appendix A hereto.

“HUD” means the United States Department of Housing and Urban Development, or any successor thereof.

“Index Rate” means the rate of interest on a Series of 2018 Series B-2 Bonds described in Section 402 of Appendix A hereto.

“Index Rate Period” means any period of time during which a Series of 2018 Series B-2 Bonds bears interest at the Index Rate.

“Index Rate Term” shall have the meaning described in Section 402 of Appendix A hereto.

“Interest Adjustment Date” means each date on which a new Flexible Rate Term or Term Rate Term, as the case may be, begins as provided in Section 501(D) and Section 601(D), respectively, of Appendix A hereto.

“Interest Method Change Date” means any date on which the method of determining the interest rate on a Series of 2018 Series B-2 Bonds changes or which is an Interest Adjustment Date pursuant to Section 501(D) or Section 601(D), respectively, of Appendix A hereto, as established by the terms and provisions of Appendix A hereto and shall be (i) the Business Day immediately following any Term Rate Term and (ii) a Reset Date that is a Business Day (or the first Business Day next succeeding a Reset Date that is not a Business Day) during any Index Rate Period.

“Letter of Representations” means the Blanket Issuer Letter of Representations, dated April 26, 1996, from the Corporation to DTC, applicable to the 2018 Series B-2 Bonds.

“Liquidity Facility” means, with respect to a Series of 2018 Series B-2 Bonds, any instrument providing for the timely payment of the Purchase Price of 2018 Series B-2 Bonds of such Series, including, but not limited to, a letter of credit, guaranty, standby loan commitment, standby bond purchase agreement or other liquidity facility, or any combination thereof, (i) dated as of the date of issuance of such Series of 2018 Series B-2 Bonds or as of the Interest Method Change Date with respect to such Series of 2018 Series B-2 Bonds, as applicable, approved by the Corporation and delivered to the Trustee for the benefit of the owners of 2018 Series B-2 Bonds of such Series, and, (ii) with respect to any Liquidity Facility replacing a previously existing Liquidity Facility, (a) dated as of a date not later than the expiration date of the Liquidity Facility for which the same is to be substituted (or, if no such Liquidity Facility exists, dated as of the Interest Method Change Date) and (b) issued on substantially similar terms and conditions with respect to the rights of the owners of 2018 Series B-2 Bonds of such Series to timely receipt of the Purchase Price thereof (including, but not limited to, the Mandatory Purchase Provision) as the then existing Liquidity Facility; provided that (a) the stated amount of any Liquidity Facility shall equal the sum of (x) the aggregate principal amount of 2018 Series B-2 Bonds of such Series at the time Outstanding, plus (y) during any Daily Rate Period or Weekly Rate Period, an amount at least equal to thirty-four (34) days of interest (at the Maximum Rate) on all 2018 Series B-2 Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, or during any Flexible Rate Period, an amount at least equal to 275 days of interest (at the Maximum Rate) on all 2018 Series B-2 Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, or during any Index Rate Period or Term Rate Period or the Fixed Rate



Period, such amount of interest as the Corporation shall determine based on then current rating agency standards, and (b) if any Liquidity Facility is to be in effect during any Daily Rate Period, Weekly Rate Period or Index Rate Period, it must provide for payment of the Purchase Price upon the exercise by any owner of a 2018 Series B-2 Bond of such Series of the Demand Purchase Option.

“Liquidity Provider” means the entity obligated to pay the Purchase Price of a Series of 2018 Series B-2 Bonds pursuant to the terms of the Liquidity Facility.

“Mandatory Purchase Provision” means the purchase provision described in Section 801 of Appendix A hereto.

“Maximum Rate” means, (i) during any Daily Rate Period, Weekly Rate Period, Flexible Rate Period, Term Rate Period or the Fixed Rate Period, fifteen percent (15%) per annum, and (ii) during any Index Rate Period, the applicable Designated Percentage (but in no event shall the Maximum Rate during any Index Rate Period be greater than fifteen percent (15%) per annum).

“Mitchell-Lama Bonds” means Bonds issued on and after December 29, 2004 to provide New Mortgage Financing (as such term is defined in the 2011 Participation Agreement), including all Bonds issued to refund any of such Bonds, and shall include any 2018 Series B-2 Bonds designated as such in a Certificate of an Authorized Officer delivered to the Trustee upon the financing or acquisition of any 2018 Series B Excess Revenues Mortgage Loan providing such New Mortgage Financing.

“NIBP Series 1 Bonds” means the Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1, authorized by the NIBP Series 1 Supplemental Resolution.

“NIBP Series 1 Supplemental Resolution” means the One Hundred Twenty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1, adopted by the Corporation on December 3, 2009, as amended and supplemented.

“NIBP Series 2 Bonds” means the Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 2, authorized by the NIBP Series 2 Supplemental Resolution.

“NIBP Series 2 Supplemental Resolution” means the One Hundred Twenty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 2, adopted by the Corporation on December 3, 2009, as amended and supplemented.

“One Hundred Ninetieth Supplemental Resolution” means the One Hundred Ninetieth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series B-1, adopted by the Corporation on April 10, 2014

“One Hundred Ninety-First Supplemental Resolution” means the One Hundred Ninety-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series B-2, adopted by the Corporation on April 10, 2014.

“Outstanding”, when used with reference to a Series of 2018 Series B-2 Bonds, means, as of any date, all 2018 Series B-2 Bonds of such Series theretofore or thereupon being authenticated and delivered under the General Resolution except:

(1) any 2018 Series B-2 Bond cancelled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(2) any 2018 Series B-2 Bond (or portion of such 2018 Series B-2 Bond) for the payment or redemption of which there have been separately set aside and held in the Redemption Account, except during any Daily Rate Period or Weekly Rate Period, either:

(a) moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price of such 2018 Series B-2 Bond, together with accrued interest on such 2018 Series B-2 Bond (at the applicable Flexible Rate or Rates during any Flexible Rate Period or at the Term Rate or the Fixed Rate during any Term Rate Period or the Fixed Rate Period, respectively) to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such moneys to such payment or redemption on the date so specified; or

(b) Government Obligations, as described in Section 12.1(B) of the General Resolution, in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price of such 2018 Series B-2 Bond, together with accrued interest on such 2018 Series B-2 Bond (at the applicable Flexible Rate or Rates during any Flexible Rate Period or at the Term Rate or the Fixed Rate during any Term Rate Period or the Fixed Rate Period, respectively) to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such moneys to such payment or redemption on the date so specified; or

(c) any combination of (a) and (b) above;

(3) any 2018 Series B-2 Bond in lieu of or in substitution for which other 2018 Series B-2 Bonds shall have been authenticated and delivered pursuant to Article III, Section 6.6 or Section 9.6 of the General Resolution; and

(4) any 2018 Series B-2 Bond deemed to have been paid as provided in Section 12.1(B) of the General Resolution.

“Participant Interest” means the Participant Interest in the Participated Assets (all as defined in the Participation Agreement).

“Participants” means those broker-dealers, banks and other financial institutions for which DTC holds a Series of 2018 Series B-2 Bonds as securities depository.

“Participation Agreement” means the Participation Agreement, by and between the Corporation and The City of New York, dated April [ ], 2018, as the same may be amended or supplemented from time to time.

“Pass-Through Bonds” means the Multi-Family Housing Revenue Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A, authorized by the Pass-Through Resolution.

“Pass-Through Resolution” means the Two Hundred Fifty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A, adopted by the Corporation on September 19, 2017.

“Prime Rate” shall have the meaning specified in Section 401(A) of Appendix A hereto.

“Principal Office”, when used with respect to the Trustee shall mean The Bank of New York Mellon, 101 Barclay Street, Floor 7W, New York, New York 10286, Attention: New York Municipal Finance Unit, when used with respect to the Tender Agent shall mean the same address as that of the Trustee or the address of any successor Tender Agent appointed in accordance with the terms of this Supplemental Resolution, when used with respect to the Remarketing Agent shall have the meaning set forth in the applicable Remarketing Agreement, and when used with respect to the Liquidity Provider shall have the meaning set forth in the applicable Liquidity Facility, or such other offices designated to the Corporation in writing by the Trustee, the Tender Agent, the Remarketing Agent or the Liquidity Provider, as the case may be.

“Private Placement or Direct Sale Bond Purchase Agreement” means, with respect to all or a portion of a Series of 2018 Series B-2 Bonds to be remarketed on a private placement or direct sale basis to one or more Purchasers, the Private Placement or Direct Sale Bond Purchase Agreement, by and between the Corporation and such Purchasers, as the same may be amended or supplemented from time to time, or any replacement thereof.

“Purchase Price” means an amount equal to one hundred percent (100%) of the principal amount of any 2018 Series B-2 Bond, plus, unless the Purchase Price is to be paid on an Interest Payment Date (in which case interest will be paid in the normal manner), accrued and unpaid interest thereon to the date of purchase.

“Purchaser” means any bank, national bank, trust company, savings bank, savings and loan association, insurance company, governmental agency of the United States, or any wholly-owned subsidiary or combination thereof, purchasing a Series of 2018 Series B-2 Bonds pursuant to a Private Placement or Direct Sale Bond Purchase Agreement.

“Record Date” means, (i) during any Daily Rate Period, Weekly Rate Period or Flexible Rate Period, the Business Day immediately preceding an Interest Payment Date, and

(ii) during any Index Rate Period or Term Rate Period or the Fixed Rate Period, that day which is the fifteenth (15th) day next preceding an Interest Payment Date.

“Remarketing Agent” means a remarketing agent appointed by an Authorized Officer, which signifies its acceptance of such appointment and the duties and obligations of Remarketing Agent hereunder and under the related Remarketing Agreement by executing and delivering such Remarketing Agreement, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party, or any successor Remarketing Agent appointed by an Authorized Officer, which signifies its acceptance of such appointment and the duties and obligations of Remarketing Agent hereunder and under the related Remarketing Agreement by executing and delivering such Remarketing Agreement.

“Remarketing Agreement” means, with respect to a Series of 2018 Series B-2 Bonds, the Remarketing Agreement to be entered into by and among the Corporation and the applicable Remarketing Agent or Agents thereunder, as the same may be amended or supplemented from time to time, or any replacement thereof.

“Remarketing Proceeds Purchase Account” means the Remarketing Proceeds Purchase Account set forth in Section 803 of Appendix A hereto.

“Reset Date” shall have the meaning specified in Section 401(A) of Appendix A hereto.

“Security Arrangement” means the Debt Service Reserve Account Funding Agreement, dated April [ ], 2018, between the Corporation and the Trustee, in the initial amount of \$[ ], to be deposited in the Debt Service Reserve Account as a Cash Equivalent pursuant to Section 3.3 hereof.

“Seller” means The City of New York.

“Series” means any Series of 2018 Series B-2 Bonds authorized by this Supplemental Resolution.

“SONYMA” means the State of New York Mortgage Agency, a corporate governmental agency of the State of New York, constituting a political subdivision and public benefit corporation established under the SONYMA Act.

“SONYMA Act” means the State of New York Mortgage Agency Act, constituting Chapter 612 of the Laws of New York, 1970, as amended.

“SONYMA Insurance” means the mortgage insurance for multi-family rental housing developments authorized pursuant to the SONYMA Act.

“Special Servicing Agreement” means the Servicing Transfer and Special Servicing Agreement, dated as of April [ ], 2018, among the Corporation and The City of New York, acting by and through its Department of Housing Preservation and Development, as the same may be amended or supplemented from time to time.

“Swap” means any financial arrangement entered into by the Corporation with an entity which is an interest rate swap or any similar transaction or any option with respect thereto executed by the Corporation for the purpose of limiting or eliminating its exposure with respect to interest rate fluctuations which has been designated in writing to the Trustee by an Authorized Officer as a Swap for purposes of this Supplemental Resolution. “Swap” shall also include any such financial arrangement described above entered into by the Corporation with an entity, as a replacement of a Swap that has been terminated and which has been so designated in writing to the Trustee by an Authorized Officer for purposes of this Supplemental Resolution.

“Swap Receipts” means any amount (including any termination payment) actually received by the Corporation or the Trustee under a Swap.

“Supplemental Resolution” means this Two Hundred Sixty-Third Supplemental Multi-Family Housing Revenue Bond Resolution and, as referred to in Sections 6.2 and 6.3 hereof, any resolution supplemental to this Two Hundred Sixty-Third Supplemental Multi-Family Housing Revenue Bond Resolution, adopted by the Corporation and effective in accordance with Section 8.2(A) of the General Resolution.

“Tender Agent” means, with respect to each Series of 2018 Series B-2 Bonds, The Bank of New York Mellon, a New York banking corporation, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party, or any successor Tender Agent appointed in accordance with the terms of this Supplemental Resolution.

“Tender Agent Agreement” means, with respect to each Series of 2018 Series B-2 Bonds, the agreement to be entered into among the Trustee, the Tender Agent, the Corporation and the applicable Remarketing Agent or Agents, as the same may be amended or supplemented from time to time, or any replacement thereof.

“Term Rate” means the rate of interest on a Series of 2018 Series B-2 Bonds described in Section 601 of Appendix A hereto.

“Term Rate Period” means any period of time during which a Series of 2018 Series B-2 Bonds bears interest at the Term Rate.

“Term Rate Start Date” shall have the meaning specified in Section 601(A) of Appendix A hereto.

“Term Rate Term” shall have the meaning specified in Section 601(D) of Appendix A hereto.

“Transfer Date” means the date when no Mitchell Lama Bonds are Outstanding under the General Resolution.

“Two Hundred Sixty-Second Supplemental Resolution” means the Two Hundred Sixty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series B-1, adopted by the Corporation on \_\_\_\_\_.

“2002 Participant Interest” has the meaning set forth in the 2002 Participation Agreement.

“2002 Participation Agreement” means the Amended and Restated Participation Agreement, dated May 1, 2014, by and between the Corporation and the New York City Mortgage Sale Facilitation Trust 2002-1, as amended on April [ ], 2018, as the same may be further amended or supplemented from time to time.

“2002/2003 Cash Flow Transfer Date” shall have the meaning set forth in the Participation Agreement.

“2003 Participant Interest” has the meaning set forth in the 2003 Participation Agreement.

“2003 Participation Agreement” means the Amended and Restated Participation Agreement, dated May 1, 2014, by and between the Corporation and the New York City Mortgage Sale Facilitation Trust 2003-1, as amended on April [ ], 2018, as the same may be further amended or supplemented from time to time.

“2011 Participation Agreement” means the Amended and Restated Participation Agreement, by and between the Corporation and The City of New York, dated June 27, 2011, as the same may be amended or supplemented from time to time.

“2014 Series B Bonds” means the Multi-Family Housing Revenue Bonds, 2014 Series B-1, authorized by the One Hundred Ninetieth Supplemental Resolution, and the Multi-Family Housing Revenue Bonds, 2014 Series B-2, authorized by the One Hundred Ninety-First Supplemental Resolution.

“2018 Series B Bonds” means, collectively, the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds.

“2018 Series B Excess Revenues Mortgage Loans” means, collectively, any mortgage loans for multi-family housing developments financed or acquired with amounts representing Excess Revenues deposited in the Bond Proceeds Account, and any replacement of any of said Mortgage Loans as provided in Section 4.7 hereof.

“2018 Series B Mortgage Loan Mandatory Prepayment” means a mandatory prepayment of a 2018 Series B Excess Revenues Mortgage Loan, as so referred to in the Mortgage or Mortgage Note relating to such 2018 Series B Excess Revenues Mortgage Loan.

“2018 Series B Mortgage Loans” means, collectively, the Participant Interest and the 2018 Series B Excess Revenues Mortgage Loans.

“2018 Series B Purchased Mortgage Loans” means the loans defined as “Mortgage Loans” in the Participation Agreement.

“2018 Series B-1 Bonds” means the Multi-Family Housing Revenue Bonds, 2018 Series B-1, authorized by the Two Hundred Sixty-Second Supplemental Resolution.

“2018 Series B-2 Bonds” means the Multi-Family Housing Revenue Bonds, 2018 Series B-2 of a Series, authorized by this Supplemental Resolution.

“2018 Series B-2 Event of Default” means the event specified in Section 5.1 hereof as a 2018 Series B-2 Event of Default.

“Undelivered Bonds” means, (i) with respect to the Mandatory Purchase Provision, any 2018 Series B-2 Bonds of the applicable Series which have not been delivered to the Tender Agent for purchase on or prior to the Change Date, or (ii) with respect to the Demand Purchase Option, any 2018 Series B-2 Bonds not delivered to the Corporation or the Tender Agent for purchase after notice of tender within the time period prescribed by this Supplemental Resolution.

“Voluntary Sale Proceeds” means the proceeds of the sale, assignment, endorsement or other disposition of (i) any Mortgage Loan (including any 2018 Series B Excess Revenues Mortgage Loan) (except a sale, assignment, endorsement or other disposition required pursuant to the General Resolution in the event of a default under the General Resolution or made when, in the sole judgment of the Corporation, such Mortgage Loan is in default) or (ii) any mortgage loan underlying the Participant Interest, the 2002 Participant Interest or the 2003 Participant Interest.

“Weekly Effective Rate Date” means, (i) with respect to any Weekly Rate Term following another Weekly Rate Term, Thursday of any week, and (ii) with respect to a Weekly Rate Term that does not follow another Weekly Rate Term, the Interest Method Change Date with respect thereto.

“Weekly Rate” means the rate of interest on a Series of 2018 Series B-2 Bonds described in Section 301 of Appendix A hereto.

“Weekly Rate Period” means any period of time during which a Series of 2018 Series B-2 Bonds bears interest at the Weekly Rate.

“Weekly Rate Term” means, with respect to any particular 2018 Series B-2 Bond, the period commencing on a Weekly Effective Rate Date and terminating on the earlier of the last calendar day prior to the Weekly Effective Rate Date of the following Weekly Rate Term, or the last calendar day prior to a Change Date.

“Wrongful Dishonor” means an uncured default by the Liquidity Provider of its obligations to honor a drawing as required pursuant to the terms of the applicable Liquidity Facility.

(C) All references to Appendix A which do not specify the document to which such Appendix relates shall be deemed to refer to Appendix A to this Supplemental Resolution.

Section 1.3. Authority. This Supplemental Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

ARTICLE II

TERMS, ISSUANCE AND SALE

Section 2.1. Authorization, Principal Amount, Designation and Series; Interpretation. (A) In order to provide funds necessary to purchase the Participant Interest and to finance other Corporation Corporate Purposes, all in accordance with the terms, conditions and limitations established in the General Resolution and this Supplemental Resolution, the 2018 Series B-2 Bonds are hereby authorized to be issued in the aggregate principal amount of \$[\_\_\_\_\_]. The Corporation is of the opinion and hereby determines that the issuance of the 2018 Series B-2 Bonds in the said amount is necessary to provide sufficient funds to be used and expended for such purpose.

(B) In addition to the title "Multi-Family Housing Revenue Bonds", the Bonds authorized by this Section 2.1 will bear the additional designation "2018 Series B-2" and each as so designated will be entitled "Multi-Family Housing Revenue Bond, 2018 Series B-2". If more than one Series of 2018 Series B-2 Bonds are Outstanding hereunder, each Series of 2018 Series B-2 Bonds will bear the additional designation "2018 Series B-2-\_\_" (with the appropriate Series designation of "A", "B" or other alphabetical and/or numerical designation being inserted in the blank) and each as so designated will be entitled "Multi-Family Housing Revenue Bonds, 2018 Series B-2-\_\_" (with the appropriate Series designation of "A", "B" or other alphabetical and/or numerical designation being inserted in the blank).

(C) In recognition that 2018 Series B-2 Bonds may at any time consist of different Series of 2018 Series B-2 Bonds in differing interest rate modes, provisions hereof, including Appendix A hereto, relating to 2018 Series B-2 Bonds during any Daily Rate Period, Weekly Rate Period, Index Rate Period, Flexible Rate Period or Term Rate Period or the Fixed Rate Period, as the case may be, shall refer solely to those 2018 Series B-2 Bonds bearing interest at a Daily Rate, Weekly Rate, an Index Rate, Flexible Rate, Term Rate or the Fixed Rate, respectively.

Section 2.2. Purpose. The purpose for which the 2018 Series B-2 Bonds are being issued is to provide funds for deposit in the Accounts established pursuant to the General Resolution as set forth in Article III hereof in order to purchase the Participant Interest and to finance other Corporation Corporate Purposes.

Section 2.3. Dated Date, Maturity, Interest, Purchase, Numbering and Lettering Provisions; Bond Form. (A) The 2018 Series B-2 Bonds shall be dated initially as of, and shall bear interest initially from, their date of initial issuance (and thereafter as set forth in Section 3.1(E) of the General Resolution), and shall mature, subject to Section 701(D) of Appendix A hereto, on the date and in the principal amount set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>
[_____] 1, 20[____]	\$[_____]

(B) The 2018 Series B-2 Bonds shall bear interest, payable in arrears, initially at the Index Rate and thereafter at the rates determined as provided in Sections 201, 301, 401,



501, 601 and 701 of Appendix A hereto, as applicable, shall be subject to redemption as set forth in Section 102 of Appendix A hereto, and shall contain the Mandatory Purchase Provision and Demand Purchase Option set forth in Sections 801 and 802 of Appendix A hereto, respectively, as applicable.

(C) Interest on the 2018 Series B-2 Bonds shall be payable as set forth in Section 101 of Appendix A hereto. Anything herein to the contrary notwithstanding, at no time shall the interest rate on the 2018 Series B-2 Bonds exceed the Maximum Rate.

(D) Each 2018 Series B-2 Bond shall be lettered "B-2-R-" and shall be numbered consecutively from "1" upwards in order of issuance. 2018 Series B-2 Bonds issued in exchange therefor shall be numbered in such manner as the Trustee in its discretion shall determine.

(E) In the event any 2018 Series B-2 Bond is deemed purchased by a Tender Agent as provided in Section 801 or 802 of Appendix A hereto but is not physically delivered to such Tender Agent, the Corporation shall immediately execute and the Trustee shall immediately authenticate a new 2018 Series B-2 Bond of like Series and denomination as that deemed purchased.

(F) On and after any Facility Change Date, the Trustee shall not permit the registration of transfer of any 2018 Series B-2 Bonds of a Series to any person other than the Liquidity Provider or any party controlling the Liquidity Provider, until such time as the Trustee receives (i) a Liquidity Facility with respect to such Series of 2018 Series B-2 Bonds or (ii) notice from the Corporation of its election to provide no Liquidity Facility with respect to such Series of 2018 Series B-2 Bonds in accordance with and subject to the provisions of Section 104(D) of Appendix A hereto. The Corporation shall not purchase or hold any 2018 Series B-2 Bonds except for the purpose of presenting such 2018 Series B-2 Bonds to the Trustee for cancellation.

(G) The form and provisions of the 2018 Series B-2 Bonds upon initial issuance and delivery thereof and the Trustee's Certificate of Authentication thereon shall be substantially as set forth in Appendix B hereto. On any Change Date with respect to a 2018 Series B-2 Bond, there shall be substituted for such 2018 Series B-2 Bond a new 2018 Series B-2 Bond, in such form as shall be approved by the Corporation, containing such terms and provisions as are required this Supplemental Resolution. Any such new 2018 Series B-2 Bonds may be executed by or on behalf of the Corporation and delivered to the Trustee for authentication and the Trustee shall thereupon authenticate and deliver such 2018 Series B-2 Bonds upon the order of the Corporation.

(H) Except as otherwise provided in Section 2.6 hereof, the principal or Redemption Price, if any, of the 2018 Series B-2 Bonds shall be payable at the corporate trust office of the Trustee in New York, New York, or at the office designated for such payment of any successor. Except as otherwise provided in Section 2.6 hereof, interest on the 2018 Series B-2 Bonds shall be paid by check or draft of the Trustee mailed to the registered owners thereof as of the applicable Record Date at their respective addresses as shown on the registration books of the Corporation maintained by the Trustee.

Section 2.4. Sale of 2018 Series B-2 Bonds. The 2018 Series B-2 Bonds shall be sold to such purchaser or purchasers as the Corporation shall determine.

Section 2.5. Redemption Provisions. (A) The 2018 Series B-2 Bonds shall be subject to redemption as set forth in subsection (B) below and Section 102 of Appendix A hereto.

(B) Notwithstanding anything to the contrary contained in the General Resolution, this Supplemental Resolution or any 2018 Series B-2 Bond, the City may, pursuant to Section 659 of the Act and upon furnishing sufficient funds therefor, require the Corporation to redeem, prior to maturity, as a whole, all 2018 Series B-2 Bonds on any Interest Payment Date not less than twenty (20) years after the date of issuance of the 2018 Series B-2 Bonds at a redemption price equal to one hundred five per centum (105%) of their face value and accrued interest or at such lower redemption price as may be provided in the 2018 Series B-2 Bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers published and circulating in the City of New York at least twice, the first publication to be at least thirty (30) days before the date of redemption.

(C) Notwithstanding anything contained in Section 6.5 of the General Resolution to the contrary, with respect to the 2018 Series B-2 Bonds (i) during any Daily Rate Period, Weekly Rate Period, Index Rate Period, Flexible Rate Period or Term Rate Period, the Trustee shall mail a copy of the notice described in said Section 6.5 not less than fifteen (15) days before the Redemption Date and (ii) during the Fixed Rate Period, the Trustee shall mail a copy of the notice described in said Section 6.5 not less than twenty (20) days before the Redemption Date, to the registered owners of any 2018 Series B-2 Bonds or portions thereof which are to be redeemed, at their last addresses, if any, appearing upon the registry books.

(D) Notwithstanding anything to the contrary contained in the General Resolution or in this Supplemental Resolution, no 2018 Series B-2 Bond shall be selected for redemption if the portion of such 2018 Series B-2 Bond remaining after such redemption would not be in an authorized denomination as set forth in Section 101 of Appendix A hereto.

Section 2.6. Book-Entry Provisions. (A) Except as provided in subsection (C) of this Section 2.6, the registered owner of all of the 2018 Series B-2 Bonds of a Series shall be Cede & Co., as nominee for DTC, and such 2018 Series B-2 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest for any 2018 Series B-2 Bond registered in the name of Cede & Co. shall be made by wire transfer or Federal or equivalent same day funds to the account of Cede & Co. on the Interest Payment Date for such 2018 Series B-2 Bond at the address indicated for Cede & Co. in the registry books of the Corporation kept by the Trustee.

(B) Each Series of 2018 Series B-2 Bonds shall be initially issued in the form of separate single authenticated fully registered 2018 Series B-2 Bonds in the amount of each separate stated maturity and "CUSIP" number of the 2018 Series B-2 Bonds of each Series. Upon initial issuance, the ownership of each Series of 2018 Series B-2 Bonds shall be registered in the registry books of the Corporation kept by the Trustee in the name of Cede & Co., as nominee of DTC. The Trustee and the Corporation may treat DTC (or its nominee) as the sole

and exclusive owner of 2018 Series B-2 Bonds of a Series registered in its name for the purposes of payment of the principal or Redemption Price of or interest on such 2018 Series B-2 Bonds, selecting the 2018 Series B-2 Bonds of each Series or portions thereof to be redeemed, giving any notice permitted or required to be given to owners of such 2018 Series B-2 Bonds under the General Resolution or this Supplemental Resolution, registering the transfer of such 2018 Series B-2 Bonds, obtaining any consent or other action to be taken by owners of such 2018 Series B-2 Bonds and for all other purposes whatsoever, and neither the Trustee nor the Corporation shall be affected by any notice to the contrary. The Trustee and the Corporation shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in 2018 Series B-2 Bonds of a Series under or through DTC or any Participant, or any other person which is not shown on the registration books of the Trustee as being an owner of such 2018 Series B-2 Bonds, with respect to the accuracy of any records maintained by DTC or any Participant; the payment of DTC or any Participant of any amount in respect of the principal or Redemption Price of or interest on such 2018 Series B-2 Bonds; any notice which is permitted or required to be given to owners of such 2018 Series B-2 Bonds under the General Resolution or this Supplemental Resolution; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of such 2018 Series B-2 Bonds; or any consent given or other action taken by DTC as owner of such 2018 Series B-2 Bonds. The Trustee shall pay all principal of, and premium, if any, and interest on 2018 Series B-2 Bonds of a Series only to or "upon the order of" Cede & Co., as nominee for DTC (as that term is used in the Uniform Commercial Code as adopted in the State), and all such payments shall be valid and effective to fully satisfy and discharge the Corporation's obligations with respect to the principal of, and premium, if any, and interest on such 2018 Series B-2 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated 2018 Series B-2 Bond for each separate Series and stated maturity evidencing the obligation of the Corporation to make payments of principal of and premium, if any, and interest on such 2018 Series B-2 Bonds pursuant to the General Resolution and this Supplemental Resolution. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to transfers, the word "Cede & Co." in this Supplemental Resolution shall refer to such new nominee of DTC.

(C) In the event the Corporation determines that it is in the best interest of the Beneficial Owners that they be able to obtain 2018 Series B-2 Bond certificates, the Corporation may notify DTC and the Trustee, whereupon DTC will notify the Participants, of the availability through DTC of such 2018 Series B-2 Bond certificates. In such event, the Corporation shall issue, and the Trustee shall transfer and exchange, 2018 Series B-2 Bond certificates as requested by DTC and any other 2018 Series B-2 Bond owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to 2018 Series B-2 Bonds of a Series at any time by giving notice to the Corporation and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Corporation and the Trustee shall be obligated to deliver 2018 Series B-2 Bond certificates as described in the General Resolution. In the event 2018 Series B-2 Bond certificates are issued, the provisions of the General Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Corporation and the Trustee to do so, the Trustee and the Corporation will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing

the 2018 Series B-2 Bonds of a Series to any DTC Participant having such 2018 Series B-2 Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing such 2018 Series B-2 Bonds.

(D) Notwithstanding any other provision of the General Resolution or this Supplemental Resolution to the contrary, so long as any 2018 Series B-2 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, and premium, if any, and interest on such 2018 Series B-2 Bond and all notices with respect to and surrender or delivery of such 2018 Series B-2 Bond shall be made and given, respectively, to or by DTC as provided in the Letter of Representations. Bondholders shall have no lien or security interest in any rebate or refund paid by DTC to the Trustee which arises from the payment by the Trustee of principal of or interest on 2018 Series B-2 Bonds of a Series in accordance with existing arrangements with DTC.

(E) In connection with any notice or other communication to be provided to 2018 Series B-2 Bond owners pursuant to the General Resolution or this Supplemental Resolution by the Corporation or the Trustee with respect to any consent or other action to be taken by owners of 2018 Series B-2 Bonds of a Series, the Corporation or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC under this subsection (E) is the sole owner of a Series of 2018 Series B-2 Bond.

(F) Notwithstanding anything contained herein to the contrary, so long as any 2018 Series B-2 Bond is held in book-entry form, such 2018 Series B-2 Bond need not be delivered in connection with any tender pursuant to Chapter 8 of Appendix A hereto, and all references in said Chapter 8 to physical delivery of 2018 Series B-2 Bonds shall be ineffective. In such case, payment of the Purchase Price in connection with such tender shall be made to the registered owner of such 2018 Series B-2 Bonds on the date designated for such payment, without further action by the Beneficial owner who delivered notice, and, notwithstanding the provisions of said Chapter 8, transfer of beneficial ownership shall be made in accordance with the procedures of DTC.

Section 2.7. Mortgage Loans Made Subject to Lien of General Resolution; Confirmation of Pledge. (A) Subject to subsection to subsection (C) of this Section 2.7, the Mortgage Loans made subject to the lien of the General Resolution in connection with the issuance of the 2018 Series B-2 Bonds are the 2018 Series B Mortgage Loans; provided, however, that on the Transfer Date, any 2018 Series B Excess Revenues Mortgage Loan financed or acquired with the proceeds of the 2018 Series B-2 Bonds that are Mitchell-Lama Bonds shall be released from the lien of the General Resolution, as provided in a Certificate of an Authorized Officer delivered to the Trustee on the date of such financing or acquisition. Notwithstanding anything to the contrary contained in the General Resolution, no Cash Flow Statement or Cash Flow Certificate (as described in Section 7.16 of the General Resolution) shall be required in connection with such release. Notwithstanding anything to the contrary contained in the General Resolution, this Supplemental Resolution or the Two Hundred Sixty-Third Supplemental Resolution, the 2018 Series B Mortgage Loans shall be treated as having been financed from the proceeds of the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds without

regard to Series as if the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds constituted one Series and as if the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds had financed the 2018 Series B Mortgage Loans.

(B) Notwithstanding anything to the contrary contained in Section 2.7 of the One Hundred Ninetieth Supplemental Resolution or in Section 2.7 of the One Hundred Ninety-First Supplemental Resolution, but subject to subsection (C) of this Section 2.7, the 2002 Participant Interest and the 2003 Participant Interest shall remain subject to the lien of the General Resolution after the 2014 Series B Bonds are no longer considered Outstanding for purposes of the 2002 Participation Agreement and the 2003 Participation Agreement (as set forth in Section 5(f) of each thereof) and shall remain subject to the lien of the General Resolution after the 2014 Series B Bonds are no longer Outstanding.

(C) At such time as the Corporation delivers to the Trustee a Certificate of an Authorized Officer to the effect that the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds are no longer Outstanding (or no longer considered Outstanding for purposes of the Participation Agreement, as set forth in Section 5(f) therein), the Participant Interest, the 2002 Participant Interest and the 2003 Participant Interest shall be released from the lien of the General Resolution, and, provided, further, that (ii) an amount of Pledged Receipts attributable to the Participant Interest (or, after the 2002/2003 Cash Flow Transfer Date, attributable to the 2002 Participant Interest or the 2003 Participant Interest) and equal to the HDC Fee (as defined in the Participation Agreement) shall be released to the Corporation, free and clear of the lien of the General Resolution, after provision for the payments required to be made pursuant to Section 5.4(B) through (E) of the General Resolution and prior to provision for the payments required to be made pursuant to Section 5.4(F) of the General Resolution. Notwithstanding anything to the contrary contained in the General Resolution, no Cash Flow Statement or Cash Flow Certificate (as described in Section 7.16 of the General Resolution) shall be required in connection with any such release of the Participant Interest, the 2002 Participant Interest and the 2003 Participant Interest and any such release of amounts equal to the HDC Fee. In addition, notwithstanding anything to the contrary contained herein or in the General Resolution, (a)(i) the Corporation may, pursuant to the Participation Agreement or the Special Servicing Agreement, assign its interest in any 2018 Series B Purchased Mortgage Loan in connection with enforcing its remedies and/or may accept an interest in a substitute or additional mortgage loan in connection with enforcing its remedies, (ii) no Cash Flow Statement or Cash Flow Certificate shall be required in connection with any such assignment, (iii) any proceeds received by the Corporation or the Trustee in connection with any such assignment shall constitute Pledged Receipts and (iv) any interest of the Corporation in any such substitute or additional mortgage loan shall automatically become a part of the Participant Interest and shall be subject to the lien of the General Resolution, and (b)(i) the Corporation and the related Seller may cause any 2018 Series B Purchased Mortgage Loan to be modified or otherwise amended in order to address payment delinquencies or potential payment defaults and (ii) no Cash Flow Statement or Cash Flow Certificate shall be required in connection with any such modification or other amendment.

## ARTICLE III

### DISPOSITION OF PROCEEDS

Section 3.1. Bond Proceeds Account. Upon receipt of the proceeds of the sale of the 2018 Series B-2 Bonds, such proceeds shall be deposited in the Bond Proceeds Account. The Trustee shall wire (i) \$[ ] of such proceeds, upon execution of the Participation Agreement, to the credit of the account designated by the Seller, [(ii) \$[ ] of such proceeds, upon such deposit in the Bond Proceeds Account, to [ ] in payment of underwriting fees for the 2018 Series B-2 Bonds, and (iii) up to \$[ ] of such proceeds as directed by the Corporation to be applied to the payment of costs of issuance of the 2018 Series B-2 Bonds, with any balance of such \$[ ] for costs of issuance that remains after the payment in full of all such costs to be wired by the Corporation to the credit of the account designated by the Seller.]

Section 3.2. Corporation Corporate Purposes. Following the deposit in the Bond Proceeds Account pursuant to the provisions of Section 3.1 hereof, \$[ ] of such proceeds shall be released to the Corporation, free and clear of the lien of the General Resolution, to be applied by the Corporation for Corporation Corporate Purposes including, but not limited to, its multi-family housing programs. Any multi-family housing developments or other assets financed or acquired with such amounts (or loans relating thereto) shall not, unless otherwise provided in a Supplemental Resolution, be subject to the lien of the General Resolution.

Section 3.3. Debt Service Reserve Account. Upon the issuance of the 2018 Series B-2 Bonds, the Corporation shall transfer to the Trustee for deposit into the Debt Service Reserve Account, a Cash Equivalent in the form of the Security Arrangement.

## ARTICLE IV

### ADDITIONAL PROVISIONS REGARDING THE 2018 SERIES B MORTGAGE LOANS AND THE 2018 SERIES B-2 BONDS

Section 4.1. Tax Covenants Not to Apply. The Corporation hereby designates the 2018 Series B-2 Bonds as Bonds to which the Corporation intends the provisions of Section 7.9 of the General Resolution not to apply.

Section 4.2. Cash Equivalents. Notwithstanding anything to the contrary contained in the General Resolution, the Corporation may, at any time, provide to the Trustee one or more Cash Equivalents for deposit in the Debt Service Reserve Account in an amount not exceeding the amount of the Debt Service Reserve Account Requirement specified in this Supplemental Resolution. In the event any such Cash Equivalents are so provided in replacement of funds on deposit in the Debt Service Reserve Account, the Trustee shall make such deposit and transfer funds in an equivalent amount from the Debt Service Reserve Account to the Revenue Account.

Section 4.3. Description of 2018 Series B Excess Revenues Mortgage Loans. With respect to the 2018 Series B Excess Revenues Mortgage Loans, the provisions of Section 4.2 of the General Resolution shall apply. When amounts representing Excess Revenues deposited in the Bond Proceeds Account are to be applied to the financing or acquisition of 2018 Series B Excess Revenues Mortgage Loans, the Corporation shall file with the Trustee a Certificate of an Authorized Officer setting forth in particular a description of the 2018 Series B Excess Revenues Mortgage Loans to be financed or acquired by application of such amounts.

Section 4.4. Certain Amounts Relating to Acquired Projects to Constitute Pledged Receipts or Recoveries of Principal. With respect to any Acquired Project financed by a 2018 Series B Excess Revenues Mortgage Loan, (i) Acquired Project Net Operating Income shall constitute Pledged Receipts, and (ii) the proceeds of sale of such Acquired Project shall constitute Recoveries of Principal. With respect to any Acquired Project financed by a 2018 Series B Purchased Mortgage Loan, Acquired Project Net Operating Income and the proceeds of sale of such Acquired Project shall constitute Pledged Receipts.

Section 4.5. Certain Prepayment Premiums or Penalties to Constitute Pledged Receipts. With respect to the 2018 Series B Excess Revenues Mortgage Loans, any prepayment premiums or penalties shall not constitute Pledged Receipts or Recoveries of Principal. With respect to the mortgage loans underlying the Participant Interest, any prepayment premiums or penalties shall constitute Pledged Receipts.

Section 4.6. Certain Other Amounts Constituting Pledged Receipts.

(1) With respect to the 2018 Series B Mortgage Loans and any Federal subsidy payments pursuant to Section 236 of the National Housing Act of 1934, as amended, or Section 8 of the United States Housing Act of 1937, as amended, with respect thereto, only Federal subsidy payments duly and properly paid and actually received by or on behalf of the Corporation or the Trustee pursuant to Section 236 of the National Housing Act of 1934, as

amended, or Section 8 of the United States Housing Act of 1937, as amended, shall constitute Pledged Receipts.

(2) With respect to the Participant Interest, all amounts received with respect to any mortgage loans underlying and other assets backing the Participant Interest (including amounts that would otherwise constitute Recoveries of Principal) shall constitute Pledged Receipts.

Section 4.7. Additional Provisions Regarding Enforcement and Foreclosure of Mortgages; Alternatives. With respect to the 2018 Series B Excess Revenues Mortgage Loans (other than any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance) and the mortgage loans underlying the Participant Interest, the following additional provisions shall apply:

(1) The Corporation shall take all steps, actions and proceedings necessary, in the judgment of the Corporation, to protect its rights with respect to the Mortgages securing the 2018 Series B Excess Revenues Mortgage Loans and any mortgage securing a 2018 Series B Purchased Mortgage Loan backing the Participant Interest.

(2) Whenever, in the Corporation's judgment, it shall be necessary in order to protect and enforce the rights of the Corporation under a Mortgage securing a 2018 Series B Excess Revenues Mortgage Loan or a mortgage securing a 2018 Series B Purchased Mortgage Loan backing the Participant Interest and to protect and enforce the rights and interests of Bondholders, the Corporation may, in its discretion, commence foreclosure proceedings against the Mortgagor or mortgagor in default under the provisions of such Mortgage or mortgage and/or, in protection and enforcement of its rights under such Mortgage or mortgage, the Corporation may, in its discretion, acquire and take possession of the Project covered by such Mortgage or mortgage by bidding for and purchasing such Project at the foreclosure sale thereof, by deed in lieu of foreclosure or otherwise.

(3) Upon acquisition by the Corporation of a Project securing a 2018 Series B Excess Revenues Mortgage Loan or securing a 2018 Series B Purchased Mortgage Loan backing the Participant Interest by foreclosure, deed in lieu of foreclosure or otherwise, and so long as the Corporation shall have title thereto or be in possession thereof, the Corporation shall, as the case may be, operate and administer such Project in the place and stead of the Mortgagor or mortgagor and in the manner required of such Mortgagor or mortgagor by the terms and provisions of the related Mortgage or mortgage. The Corporation shall pay the Acquired Project Net Operating Income derived from such Acquired Project to the Trustee for deposit into the Revenue Account.

(4) Notwithstanding the provisions of paragraph (3) of this Section 4.7, upon acquisition by the Corporation of a Project securing a 2018 Series B Excess Revenues Mortgage Loan or a 2018 Series B Purchased Mortgage Loan backing the Participant Interest, whether by foreclosure, deed in lieu of foreclosure or otherwise:

(a) The Corporation may at any time thereafter sell such Project to another qualified entity and make a Mortgage Loan or mortgage loan with respect thereto



as if such entity were the original Mortgagor or mortgagor, provided that (i) the Mortgage or mortgage securing such Mortgage Loan or mortgage loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage or mortgage of such Project which had previously secured the related 2018 Series B Excess Revenues Mortgage Loan or the related 2018 Series B Purchased Mortgage Loan backing the Participant Interest, (ii) said new Mortgage Loan or mortgage loan shall automatically become subject to the lien of the General Resolution and (iii) the Corporation shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Mortgage Loan or mortgage loan and specifying which 2018 Series B Excess Revenues Mortgage Loan or 2018 Series B Purchased Mortgage Loan backing the Participant Interest has been so replaced; or

(b) The Corporation may at any time thereafter sell such Project provided that the proceeds of such sale shall be treated as a Recovery of Principal, in the case of a Project securing a 2018 Series B Excess Revenues Mortgage Loan, or as Pledged Receipts, in the case of a Project securing a 2018 Series B Purchased Mortgage Loan backing the Participant Interest.

(5) In addition, and as an alternative to the rights of the Corporation described above in this Section 4.7, following a default under a 2018 Series B Excess Revenues Mortgage Loan or a 2018 Series B Purchased Mortgage Loan backing the Participant Interest, the Corporation may, in its discretion, cause or consent to the sale of a Project securing such 2018 Series B Excess Revenues Mortgage Loan or such 2018 Series B Purchased Mortgage Loan backing the Participant Interest to another qualified entity and, in connection with any such sale (a) allow the purchaser to assume the related Mortgage or mortgage, or (b) make a Mortgage Loan or mortgage loan with respect thereto as if such entity were the original Mortgagor or mortgagor, if such sale shall occur after the original Mortgage or mortgage shall have been discharged, provided, however, that (i) the Mortgage or mortgage securing such Mortgage Loan or mortgage loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage or mortgage of such Project which had previously secured the related 2018 Series B Excess Revenues Mortgage Loan or the related 2018 Series B Purchased Mortgage Loan backing the Participant Interest, (ii) said new Mortgage Loan or mortgage loan shall automatically become subject to the lien of the General Resolution and (iii) the Corporation shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Mortgage Loan or mortgage loan and specifying which 2018 Series B Excess Revenues Mortgage Loan or 2018 Series B Purchased Mortgage Loan backing the Participant Interest has been so replaced.

(6) Any rights of the Corporation set forth in (1) - (5) above in this Section 4.7 may be exercised by (i) to the extent permitted by law, a subsidiary of the Corporation established pursuant to Section 654-a of the Act, [or (ii) another entity in accordance with the provisions of the Special Servicing Agreement].

(7) Notwithstanding the foregoing provisions of this Section 4.7, from and after the date of issuance of SONYMA Insurance with respect to a 2018 Series B Excess Revenues Mortgage Loan insured by SONYMA Insurance, the provisions of (1) - (6) above shall

apply only during the period that SONYMA has failed to honor its payment obligations under such SONYMA Insurance.

(8) In addition, and as a further alternative to the rights of the Corporation described above in this Section 4.7, following a default under a 2018 Series B Excess Revenues Mortgage Loan, the Corporation may, in its discretion, obtain amounts under any letter of credit or other credit enhancement securing such 2018 Series B Excess Revenues Mortgage Loan or under any agreement entered into by the Corporation and the provider of such letter of credit or other credit enhancement in connection with the providing of such letter of credit or credit enhancement, in accordance with the terms thereof; provided that if the Corporation obtains funds in an amount equal to the outstanding principal balance of such 2018 Series B Excess Revenues Mortgage Loan, plus the lesser of (i) accrued interest thereon or (ii) the maximum amount available with respect to accrued interest thereon, pursuant to any such letter of credit, credit enhancement or other agreement, the Corporation shall immediately assign such 2018 Series B Excess Revenues Mortgage Loan to or upon the order of the provider thereof free and clear of the lien of the General Resolution.

(9) Notwithstanding the foregoing provisions of this Section 4.7, with respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Risk-Sharing Insurance, the provisions of (1) - (6) above shall apply only during the period that HUD has failed to honor its payment obligations under such FHA Risk-Sharing Insurance.

Section 4.8. Certain Amounts Relating to Letters of Credit or Other Credit Enhancements Securing the 2018 Series B Excess Revenues Mortgage Loans to Constitute Pledged Receipts or Recoveries of Principal. With respect to the 2018 Series B Excess Revenues Mortgage Loans (other than any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance or FHA Risk-Sharing Insurance), amounts obtained under a letter of credit or other credit enhancement securing a 2018 Series B Excess Revenues Mortgage Loan or under any agreement entered into by the Corporation and the provider of such letter of credit or other credit enhancement in connection with the providing of such letter of credit or credit enhancement, in the event of a default on such 2018 Series B Excess Revenues Mortgage Loan (i) with respect to scheduled principal and/or interest payments required by such 2018 Series B Excess Revenues Mortgage Loan, including the applicable 2018 Series B Mortgage Loan Mandatory Prepayment, shall constitute Pledged Receipts, and (ii) other than with respect to scheduled principal and/or interest payments required by such 2018 Series B Excess Revenues Mortgage Loan, shall constitute Recoveries of Principal.

Section 4.9. 2018 Series B Mortgage Loan Mandatory Prepayments to Constitute Pledged Receipts or Recoveries of Principal. With respect to the 2018 Series B Excess Revenues Mortgage Loans, (i) the payment in whole or in part of a 2018 Series B Mortgage Loan Mandatory Prepayment on or after the day that is sixty (60) days prior to the maturity date of the 2018 Series B-2 Bonds of the applicable maturity shall constitute Pledged Receipts, and (ii) the payment in whole or in part of a 2018 Series B Mortgage Loan Mandatory Prepayment prior to the day that is sixty (60) days prior to the maturity date of the 2018 Series B-2 Bonds of the applicable maturity shall constitute Recoveries of Principal.

Section 4.10. Covenants with Respect to the 2018 Series B Excess Revenues Mortgage Loans Insured by SONYMA Insurance. (A) With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by SONYMA Insurance, for so long as the SONYMA Insurance is in effect with respect to such 2018 Series B Excess Revenues Mortgage Loan and SONYMA has not failed to honor a claim thereunder, any assignment or reassignment of such 2018 Series B Excess Revenues Mortgage Loan pursuant to Section 7.10(A) of the General Resolution shall be effected in accordance with such SONYMA Insurance.

(B) With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by SONYMA Insurance, the Corporation shall not take any action in conflict with the SONYMA Insurance or any applicable SONYMA regulations or 2018 Series B Excess Revenues Mortgage Loan documents approved by SONYMA so as to jeopardize the procurement or continuation of the SONYMA Insurance. The Corporation shall promptly advise the Trustee of the occurrence of a default on any such 2018 Series B Excess Revenues Mortgage Loan and shall keep the Trustee advised as to any actions taken either to cure such default and/or to claim the benefits of SONYMA Insurance including, but not limited to, the filing of a claim with respect to such SONYMA Insurance. In addition, the Corporation shall not take any action with respect to any such 2018 Series B Excess Revenues Mortgage Loan that would cause the loss or diminution of benefits receivable as SONYMA Insurance with respect to such 2018 Series B Excess Revenues Mortgage Loan. The Corporation shall assign such 2018 Series B Excess Revenues Mortgage Loan in default to SONYMA or take such other actions in timely fashion so as to receive the benefits of the SONYMA Insurance and avoid any loss or diminution of benefits receivable as SONYMA Insurance, and shall take any and all action necessary or desirable to ensure that all benefits of SONYMA Insurance are paid to the Corporation or the Trustee, as the case may be, in cash, in accordance with the SONYMA Insurance and any applicable regulations of SONYMA. The foregoing provisions of this Section 4.10(B) shall apply only from and after the date of issuance of SONYMA Insurance with respect to such 2018 Series B Excess Revenues Mortgage Loan.

Section 4.11. Certain Amounts Relating to SONYMA Insurance to Constitute Pledged Receipts or Recoveries of Principal. With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by SONYMA Insurance, amounts obtained pursuant to such SONYMA Insurance, (i) with respect to scheduled principal and/or interest payments required by such 2018 Series B Excess Revenues Mortgage Loan shall constitute Pledged Receipts, and (ii) other than with respect to scheduled principal and/or interest payments required by such 2018 Series B Excess Revenues Mortgage Loan, shall constitute Recoveries of Principal.

Section 4.12. Interpretation. With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance or FHA Risk-Sharing Insurance, in the event of a conflict between the provisions of the General Resolution or this Supplemental Resolution and any HUD regulations, applicable Federal Housing Administration regulations or prescribed underlying mortgage loan documents backing such 2018 Series B Excess Revenues Mortgage Loan in case any such document is endorsed for FHA Insurance or FHA Risk-Sharing Insurance, the provisions of such regulations or documents, as the case may be, shall control.

Section 4.13. Disbursement of 2018 Series B-2 Bond Proceeds; Conditions Precedent. (A) With respect to the proceeds of the 2018 Series B-2 Bonds and any 2018 Series

B Excess Revenues Mortgage Loan to be financed therefrom and insured by FHA Insurance, (i) the provisions of clause (1) of Section 4.3 of the General Resolution regarding an opinion of counsel shall be inapplicable and (ii) the provisions of clauses (3) and (4) of Section 4.3 of the General Resolution shall be inapplicable.

(B) With respect to the proceeds of the 2018 Series B-2 Bonds and any 2018 Series B Excess Revenues Mortgage Loan to be financed therefrom and insured by FHA Risk-Sharing Insurance, the provisions of clause (4) of Section 4.3 of the General Resolution shall be inapplicable. However, in addition to the balance of the conditions of said Section 4.3 of the General Resolution, amounts representing the proceeds of the 2018 Series B-2 Bonds deposited in the Bond Proceeds Account shall not be disbursed for financing any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Risk-Sharing Insurance unless:

(a) the Mortgage Note evidencing the 2018 Series B Excess Revenues Mortgage Loan shall have been endorsed for FHA Risk-Sharing Insurance, in an amount at least equal to the unpaid principal balance of the 2018 Series B Excess Revenues Mortgage Loan; and

(b) the Project financed by the 2018 Series B Excess Revenues Mortgage Loan is insured against loss by fire and other hazards as required by the Federal Housing Commissioner; such insurance shall be in an amount necessary to prevent the Corporation from becoming a co-insurer, but not less than eighty percent (80%) of the insurable value of the Project. Such policy shall be endorsed with the standard mortgagee clause with loss payable to the Corporation.

Section 4.14. Obligation of 2018 Series B-2 Bonds. The 2018 Series B-2 Bonds shall be special revenue obligations of the Corporation payable solely from the revenues and assets pledged therefor pursuant to the General Resolution. The 2018 Series B-2 Bonds are not a debt of the United States of America, HUD or any other Federal governmental agency, and are not guaranteed by the full faith and credit of the United States of America. The 2018 Series B-2 Bonds shall contain on their face a statement that the 2018 Series B-2 Bonds shall not be a debt of either the State of New York or The City of New York and neither the State nor the City shall be liable thereon, nor shall the 2018 Series B-2 Bonds be payable out of any funds other than those of the Corporation pledged therefor.

Section 4.15. Covenants with Respect to Certain 2018 Series B Excess Revenues Mortgage Loan. (A) With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance, any assignment or reassignment of such 2018 Series B Excess Revenues Mortgage Loan pursuant to Section 7.10(A) of the General Resolution shall be effected in accordance with all applicable HUD regulations. In addition, unless such 2018 Series B Excess Revenues Mortgage Loan is transferred, assigned and delivered to the Trustee as set forth in said Section 7.10(A) of the General Resolution: (i) the Corporation shall remain the mortgagee of record under the FHA Insurance contract, (ii) HUD shall have no obligation to recognize or do business with anyone other than the Corporation with respect to rights, benefits and obligations of the mortgagee under the FHA Insurance contract and (iii) the Mortgageor shall have no obligation to recognize or do business with anyone other than the Corporation with respect to rights, benefits and obligations of such Mortgageor or the mortgagee under such 2018

Series B Excess Revenues Mortgage Loan. In the event of any such transfer, assignment and delivery to the Trustee, the Trustee shall assume all obligations under the FHA Insurance contract, at which time the Corporation shall be released from its obligations under such FHA Insurance contract. In the event that the Trustee shall transfer, assign and deliver such 2018 Series B Excess Revenues Mortgage Loan with respect thereto, back to the Corporation pursuant to said Section 7.10(A) of the General Resolution, the Corporation shall once again assume all obligations under the FHA Insurance contract, at which time the Trustee shall be released from its obligations under such FHA Insurance contract, all in accordance with all applicable HUD regulations. Further, in the event of such reassignment of such 2018 Series B Excess Revenues Mortgage Loan by the Trustee to the Corporation, the Corporation shall be bound by the provisions of this Supplemental Resolution with respect to such 2018 Series B Excess Revenues Mortgage Loan.

(B) With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance, the provisions of this subsection (B) shall apply. The Corporation shall comply with and shall not take any action in conflict with the regulations or prescribed mortgage documents of the Federal Housing Administration so as to jeopardize the FHA Insurance and shall notify the Federal Housing Administration, on a timely basis, of the occurrence of a default on any of such 2018 Series B Excess Revenues Mortgage Loan. The Corporation shall promptly advise the Trustee of the occurrence of a default on any such 2018 Series B Excess Revenues Mortgage Loan and shall keep the Trustee advised as to any actions taken to cure such default and/or to assign such 2018 Series B Excess Revenues Mortgage Loan to the Federal Housing Commissioner and claim the benefits of FHA Insurance. The Corporation shall not seek any extension of the deadline for filing notice of its intention to file a claim for FHA Insurance and assign such 2018 Series B Excess Revenues Mortgage Loan to HUD. The Corporation shall assign such 2018 Series B Excess Revenues Mortgage Loan in default to the Federal Housing Commissioner in timely fashion, including the provision of timely notice of its intention to assign such 2018 Series B Excess Revenues Mortgage Loan to HUD, so as to avoid any loss or diminution of benefits receivable as FHA Insurance, and shall take any and all action necessary or desirable to ensure that all benefits of FHA Insurance are paid to the Corporation in cash, in accordance with all applicable regulations of the Federal Housing Commissioner.

(C) With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Risk-Sharing Insurance, no assignment or reassignment of such 2018 Series B Excess Revenues Mortgage Loan pursuant to Section 7.10(A) of the General Resolution shall be permitted so long as such FHA Risk-Sharing Insurance is in effect with respect to such 2018 Series B Excess Revenues Mortgage Loan. HUD shall have no obligation to recognize or deal with anyone other than the Corporation in its role as mortgagee of record and as party to a risk sharing agreement with HUD with respect to rights, benefits and obligations of the Corporation under the FHA Risk-Sharing Insurance contract. In addition, so long as such FHA Risk-Sharing Insurance is in effect with respect to such 2018 Series B Excess Revenues Mortgage Loan, a partial interest in such 2018 Series B Excess Revenues Mortgage Loan may be transferred under a participation agreement or arrangement if the following conditions are met: (i) legal title to such 2018 Series B Excess Revenues Mortgage Loan shall be held by the Corporation and (ii) the participation agreement or arrangement provides that (x) the Corporation shall remain the mortgagee of record under the FHA Risk-Sharing Insurance contract, (y) HUD shall have no

obligation to recognize or deal with anyone other than the Corporation with respect to rights, benefits and obligations of the mortgagee under the FHA Risk-Sharing Insurance contract and (z) the Mortgagor shall have no obligation to recognize or do business with anyone other than the Corporation and the Servicer with respect to rights, benefits and obligations of such Mortgagor or the mortgagee under such 2018 Series B Excess Revenues Mortgage Loan.

(D) With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Risk-Sharing Insurance, the provisions of this subsection (D) shall apply. Upon receipt of proceeds of FHA Risk-Sharing Insurance, such 2018 Series B Excess Revenues Mortgage Loan shall no longer be pledged for the benefit of the owners of the Bonds and will be free and clear of the pledge and lien of the General Resolution. The Corporation shall comply with and shall not take any action in conflict with the regulations or prescribed mortgage documents of the Federal Housing Administration so as to jeopardize the FHA Risk-Sharing Insurance and shall notify the Federal Housing Administration, on a timely basis, of the occurrence of a default on any of such 2018 Series B Excess Revenues Mortgage Loan. The Corporation shall promptly advise the Trustee of the occurrence of a default on such 2018 Series B Excess Revenues Mortgage Loan and shall keep the Trustee advised as to any actions taken to cure such default and/or to claim the benefits of FHA Risk-Sharing Insurance. Other than as permitted by HUD, the Corporation shall not seek any extension of the deadline for filing notice of its intention to file a claim for FHA Risk-Sharing Insurance. The Corporation shall take any and all action necessary or desirable to ensure that all benefits of FHA Risk-Sharing Insurance are paid to the Corporation in cash, in accordance with all applicable regulations of the Federal Housing Commissioner.

Section 4.16. Escrow Payments. With respect to the 2018 Series B-2 Bonds and any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance which is secured by FHA Insurance, in addition to the provisions of Section 5.3 of the General Resolution, upon the assignment of such 2018 Series B Excess Revenues Mortgage Loan to the Federal Housing Commissioner and claim for the benefit of FHA Insurance, the Corporation shall apply any Escrow Payments in such manner as the Federal Housing Commissioner shall direct, including payments to the Trustee for deposit to the credit of the Redemption Account. Such amount, if deposited to the credit of the Redemption Account, shall be deemed to be a Recovery of Principal

Section 4.17. Certain Other Amounts Constituting Recoveries of Principal. With respect to any 2018 Series B Excess Revenues Mortgage Loan insured by FHA Insurance or FHA-Risk Sharing Insurance, (i) the advance payment of principal amounts to become due with respect to such 2018 Series B Excess Revenues Mortgage Loan, at the option of the Mortgagor or at the option or direction the Federal Housing Administration, and (ii) proceeds of FHA Insurance and FHA Risk-Sharing Insurance shall constitute Recoveries of Principal.

Section 4.18. Permitted Encumbrances. With respect to the Participant Interest, Permitted Encumbrances shall include such liens, encumbrances, reservations, easements, rights of way and other clouds on title as do not impair the use or value of the premises under any 2018 Series B Purchased Mortgage Loan backing the Participant Interest.

Section 4.19. Valuation of the 2018 Series B Excess Revenues Mortgage Loans and the Participant Interest. For purposes of the requirements of subsection (A) of Section 7.16 of the General Resolution, (i) each 2018 Series B Excess Revenues Mortgage Loan shall be valued at the percentage of its outstanding principal balance set forth in a Certificate of an Authorized Officer delivered to the Trustee at the time such 2018 Series B Excess Revenues Mortgage Loan is financed or acquired, as the case may be, together with evidence satisfactory to the Trustee that each Rating Agency shall have approved such percentage without having an adverse effect on its rating on the Bonds, and (ii) the Participant Interest shall be valued at [ ] percent ([ ]%) of its outstanding principal balance; provided, however, that the Corporation may increase or decrease each such percentage by furnishing to the Trustee (i) a Certificate of an Authorized Officer specifying such higher or lower percentage and (ii) evidence satisfactory to the Trustee that each Rating Agency shall have approved the use of such higher or lower percentage without such use having an adverse effect on its rating on the Bonds.

Section 4.20. Cap Receipts and Swap Receipts to Constitute Pledged Receipts. Any Cap Receipts paid to the Corporation or the Trustee under a Cap shall constitute Pledged Receipts; provided, however, that if so provided in a Certificate of an Authorized Officer delivered to the Trustee accompanied by a Cash Flow Statement or a Cash Flow Certificate, all or any portion (as specified in such Certificate) of the Cap Receipts with respect to a Cap identified in such Certificate received on or after a date specified in such Certificate shall not constitute Pledged Receipts. Any Swap Receipts paid to the Corporation or the Trustee under a Swap shall constitute Pledged Receipts; provided, however, that if so provided in a Certificate of an Authorized Officer delivered to the Trustee accompanied by a Cash Flow Statement or a Cash Flow Certificate, all or any portion (as specified in such Certificate) of the Swap Receipts with respect to a Swap identified in such Certificate received on or after a date specified in such Certificate shall not constitute Pledged Receipts.

Section 4.21. Cash Flow Statements. (A) For so long as any NIBP Series 1 Bonds or any NIBP Series 2 Bonds are outstanding under the NIBP Series 1 Supplemental Resolution or the NIBP Series 2 Supplemental Resolution, respectively, in preparing any Cash Flow Statement required pursuant to the General Resolution, the NIBP Series 1 Bonds and the NIBP Series 2 Bonds shall be reflected as follows: The Corporation shall prepare a cash flow statement (which, in and of itself, shall not constitute a Cash Flow Statement under the General Resolution) using the methodology set forth in Section 7.16 of the General Resolution but applied only to the NIBP Series 1 Bonds and the NIBP Series 2 Bonds. Such cash flow statement shall indicate (i) the extent, if any, to which amounts in the Revenue Account are required to be transferred pursuant to Section 5.5(B) of the NIBP Series 1 Supplemental Resolution and Section 5.5(B) of the NIBP Series 2 Supplemental Resolution in order to meet the requirements of Section 7.16(B) of the General Resolution (the "NIBP Revenue Deficiency Amount") and (ii) the amount of any shortfall in meeting the test set forth in Section 7.16(A) of the General Resolution (the "NIBP Asset Shortfall Amount"). In preparing any Cash Flow Statement required pursuant to the General Resolution or this Supplemental Resolution, the NIBP Series 1 Bonds and the NIBP Series 2 Bonds shall be reflected by including (i) the NIBP Revenue Deficiency Amount as a part of the principal and interest due or to become due on Bonds Outstanding under the General Resolution for the purposes of the test set forth in Section 7.16(B) of the General Resolution and (ii) the NIBP Asset Shortfall Amount as a component of

the aggregate principal amount of and accrued but unpaid interest on Outstanding Bonds for purposes of the test set forth in Section 7.16(A) of the General Resolution.

(B) For so long as any Pass-Through Bonds are Outstanding under the Pass-Through Resolution, in preparing any Cash Flow Statement required pursuant to the General Resolution, the Pass-Through Bonds shall be reflected as follows: The Corporation shall prepare a cash flow statement (which, in and of itself, shall not constitute a Cash Flow Statement under the General Resolution) using the methodology set forth in Section 7.16 of the General Resolution but applied only to the Pass-Through Bonds. Such cash flow statement shall indicate (i) the extent, if any, to which amounts in the Revenue Account are required to be transferred pursuant to Section 5.7 of the Pass-Through Resolution in order to meet the requirements of Section 7.16(B) of the General Resolution (the "Pass-Through Revenue Deficiency Amount") and (ii) the amount of any shortfall in meeting the test set forth in Section 7.16(A) of the General Resolution (the "Pass-Through Asset Shortfall Amount"). In preparing any Cash Flow Statement required pursuant to the General Resolution or this Supplemental Resolution, the Pass-Through Bonds shall be reflected by including (i) the Pass-Through Revenue Deficiency Amount as a part of the principal and interest due or to become due on Bonds Outstanding under the General Resolution for the purposes of the test set forth in Section 7.16(B) of the General Resolution and (ii) the Pass-Through Asset Shortfall Amount as a component of the aggregate principal amount of and accrued but unpaid interest on Outstanding Bonds for purposes of the test set forth in Section 7.16(A) of the General Resolution.



## ARTICLE V

### 2018 SERIES B-2 EVENT OF DEFAULT AND REMEDIES

Section 5.1. 2018 Series B-2 Event of Default. The following event is hereby declared a “2018 Series B-2 Event of Default” with respect to the 2018 Series B-2 Bonds: so long as no Liquidity Facility is in effect with respect to a 2018 Series B-2 Bond, payment of the Purchase Price of such 2018 Series B-2 Bond (other than any Bank Bond) tendered in accordance with Appendix A hereto shall not be made when and as the same shall become due.

Notwithstanding anything to the contrary contained in this Supplemental Resolution, (i) a 2018 Series B-2 Event of Default shall not, in and of itself, constitute an Event of Default under Section 10.1(1) of the General Resolution, and (ii) except as otherwise provided in a Certificate of an Authorized Officer delivered to the Trustee, the provisions of this Article V shall be inapplicable with respect to any 2018 Series B-2 Bond during any Index Rate Period and so long as such 2018 Series B-2 Bond has been purchased by a Purchaser pursuant to a Private Placement or Direct Sale Bond Purchase Agreement.

Section 5.2. Remedies. (A) Upon the happening and continuance of a 2018 Series B-2 Event of Default, the Trustee shall proceed, in its own name, to protect and enforce the rights of the 2018 Series B-2 Bond owners by bringing suit upon the 2018 Series B-2 Bonds for amounts then due and unpaid from the Corporation for the Purchase Price of any 2018 Series B-2 Bonds; provided, however, such suit shall be limited to recovery from amounts held by the Trustee under the General Resolution and this Supplemental Resolution and available for such purpose.

(B) In the enforcement of any rights and remedies under this Supplemental Resolution, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Corporation for the Purchase Price of any 2018 Series B-2 Bonds as set forth in Section 5.1 hereof, or otherwise, under any provisions of this Supplemental Resolution or of the 2018 Series B-2 Bonds with interest on overdue payments at the rate of interest specified in such 2018 Series B-2 Bonds, together with any and all fees and expenses of the Trustee and costs and expenses of collection and of all proceedings thereunder and under such 2018 Series B-2 Bonds, without prejudice to any other right or remedy of the Trustee or of the 2018 Series B-2 Bond owners, and to recover and enforce a judgment or decree against the Corporation for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorneys’ fees), and to collect from any moneys available for such purpose, in any manner provided by law, the moneys adjudged or decreed to be payable.

(C) Upon the occurrence of a 2018 Series B-2 Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the 2018 Series B-2 Bond owners under this Supplemental Resolution, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and of the assets of the Corporation relating to the applicable Series of 2018 Series B-2 Bonds pending such proceedings, with such powers as the court making such appointment shall confer.

(D) The Corporation hereby expressly reserves and retains the privilege to receive and, subject to the terms and provisions of this Supplemental Resolution, to keep or dispose of, claim, bring suit upon or otherwise exercise, enforce or realize upon its rights and interest in and to the 2018 Series B Mortgage Loans and the proceeds and collections therefrom, and neither the Trustee nor any 2018 Series B-2 Bond owner shall in any manner be or be deemed to be an indispensable party to the exercise of any such privilege, claim or suit.

(E) Notwithstanding anything to the contrary contained herein, in all cases, amounts held for a particular Series of 2018 Series B-2 Bonds with respect to a 2018 Series B-2 Event of Default shall be only for such Series of 2018 Series B-2 Bonds.

Section 5.3. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the owners of the 2018 Series B-2 Bonds is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

## ARTICLE VI

### MISCELLANEOUS

Section 6.1. No Recourse Under Supplemental Resolution or on 2018 Series B-2 Bonds. All covenants, stipulations, promises, agreements and obligations of the Corporation contained in this Supplemental Resolution shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer or employee of the Corporation in such person's individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the 2018 Series B-2 Bonds or for any claim based thereon or on this Supplemental Resolution against any member, officer or employee of the Corporation or any natural person executing the 2018 Series B-2 Bonds.

Section 6.2. Supplemental Resolutions Effective upon Filing With the Trustee. This Supplemental Resolution may be amended, and shall be fully effective in accordance with its terms, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer to provide for such changes as are deemed necessary or desirable by the Corporation with respect to the 2018 Series B-2 Bonds of a Series to take effect on a Change Date on which one hundred percent (100%) of the 2018 Series B-2 Bonds of such Series are subject to mandatory tender.

Section 6.3. Supplemental Resolutions Effective upon Consent of Trustee and Liquidity Provider (if any). (A) This Supplemental Resolution may be amended for the purpose of changing any of the time periods for provision of notice relating to the Mandatory Purchase Provision, Demand Purchase Option or interest rate determination, or the time periods for interest rate determination or the procedure for tendering a 2018 Series B-2 Bond in connection with the Mandatory Purchase Provision or Demand Purchase Option, and shall be fully effective in accordance with its terms, (i) upon the filing with the Trustee of a copy thereof certified by an Authorized Officer, (ii) upon the filing with the Trustee and the Corporation of instruments in writing made by the Trustee and, if applicable, the Liquidity Provider consenting thereto, and (iii) after such period of time as the Trustee and the Corporation deem appropriate following notice to the owners of such 2018 Series B-2 Bond (but not less than thirty (30) days).

(B) The Trustee, at the expense of the Corporation, shall provide notice to the Bond owners of the adoption of any Supplemental Resolution described in subsection (A) above in whichever manner it deems most effective, and shall, as soon as practicable, deliver a copy of any Supplemental Resolution effecting a change described in subsection (A) above to each owner of a 2018 Series B-2 Bond Outstanding.

Section 6.4. Notice to Rating Service. At such time as there is a change in the Trustee, the Tender Agent or the Remarketing Agent, a Change Date occurs, any material amendment to this Supplemental Resolution or a Liquidity Facility is made, or a Liquidity Facility expires, or an extension of the maturity of a Series of 2018 Series B-2 Bonds is effected, or whenever there is a redemption or a defeasance of a Series of 2018 Series B-2 Bonds, written notice of same shall be given to (i) Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, Inc., 55 Water Street, New York, New York 10041, Attention: Public Finance Surveillance or by e-mail to pubfin\_structured@sandp.com, and (ii) Moody's Investors Services, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, Attention:

Moody's Municipal Structured Products Surveillance Group or by e-mail to MSPGSurveillance@moodys.com.

Section 6.5. Effective Date. This Supplemental Resolution shall take effect upon the filing of a certified copy hereof with the Trustee.

## APPENDIX A

### TERMS OF THE 2018 SERIES B-2 BONDS

#### CHAPTER 1

#### GENERAL PROVISIONS

Section 101. Interest, Denominations and Other Provisions. (A) During any Daily Rate Period or Weekly Rate Period, interest on a Series of 2018 Series B-2 Bonds shall be payable on a monthly basis on the first Business Day of the month occurring after the Interest Method Change Date with respect thereto (or, if applicable, the date of initial issuance thereof), on any Change Date with respect thereto and on the final maturity date of such Series of 2018 Series B-2 Bonds. During any Index Rate Period, interest on a Series of 2018 Series B-2 Bonds shall be payable on each Reset Date with respect thereto, on any Change Date with respect thereto and on the final maturity date of such Series of 2018 Series B-2 Bonds. During any Flexible Rate Period, interest on a Series of 2018 Series B-2 Bonds shall be payable on any Change Date with respect thereto and on the final maturity date of such Series of 2018 Series B-2 Bonds. During any Term Rate Period, interest on a Series of 2018 Series B-2 Bonds shall be payable on May 1 and November 1 of each year, on any Change Date with respect thereto and on the final maturity date of such Series of 2018 Series B-2 Bonds. During the Fixed Rate Period, interest on a Series of 2018 Series B-2 Bonds shall be payable on May 1 and November 1 of each year and on the final maturity date of such Series of 2018 Series B-2 Bonds. During any Daily Rate Period, Weekly Rate Period or Flexible Rate Period for a Series of 2018 Series B-2 Bonds, interest on such Series of 2018 Series B-2 Bonds shall be computed on the basis of a 365 or 366-day year, for the actual number of days elapsed. During any Index Rate Period for a Series of 2018 Series B-2 Bonds, interest on such Series of 2018 Series B-2 Bonds shall be computed on the basis of a 360-day year, for the actual number of days elapsed. During any Term Rate Period and the Fixed Rate Period for a Series of 2018 Series B-2 Bonds, interest on such Series of 2018 Series B-2 Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

(B) During any Daily Rate Period, Weekly Rate Period, Index Rate Period or Flexible Rate Period for a Series of 2018 Series B-2 Bonds, all 2018 Series B-2 Bonds of such Series shall be in the denomination of \$100,000 or any \$5,000 increment in excess of \$100,000. During any Term Rate Period or the Fixed Rate Period for a Series of 2018 Series B-2 Bonds, all 2018 Series B-2 Bonds of such Series shall be in the denomination of \$5,000 or in denominations of any whole multiple thereof.

(C) If the date for making any payment of principal or Redemption Price of or interest on any of the 2018 Series B-2 Bonds shall be a day other than a Business Day, then payment of such principal or Redemption Price of or interest on such 2018 Series B-2 Bonds need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date originally fixed for such payment, except that during any Daily Rate Period, Weekly Rate Period, Index Rate Period or Flexible Rate Period, no interest shall continue to accrue on any unpaid principal to such next succeeding Business Day.

Section 102. Redemption Provisions. The 2018 Series B-2 Bonds shall be subject to redemption as set forth in Section 2.5(B) of the Supplemental Resolution and as follows:

(A) During any Daily Rate Period or Weekly Rate Period, the 2018 Series B-2 Bonds are subject to redemption, at the option of the Corporation, in whole or in part, on any Business Day prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-2 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

(B) During any Index Rate Period, the 2018 Series B-2 Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity on any Reset Date, including any Reset Date after delivery of a notice of mandatory purchase to the Corporation pursuant to Section 802 hereof, beginning [August 1], 2018, with respect to the 2018 Series B-2 Bonds upon the initial issuance thereof, and beginning on a date determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing of the 2018 Series B-2 Bonds, with respect to the 2018 Series B-2 Bonds upon a remarketing thereof into an Index Rate Period, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-2 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

(C) During any Flexible Rate Period or Term Rate Period, each 2018 Series B-2 Bond is subject to redemption, without notice, at the option of the Corporation, in whole or in part on any Interest Adjustment Date with respect to such 2018 Series B-2 Bond, from any source, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-2 Bonds to be redeemed, plus accrued interest to the Redemption Date. Except as provided in the immediately preceding sentence, during any Term Rate Period, the 2018 Series B-2 Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, from any source, on or after the date on which twenty-five percent (25%), fifty-percent (50%) or seventy-five percent (75%) of the applicable Term Rate Term has elapsed, as determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the Term Rate Start Date of such Term Rate Term, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-2 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date. Except as provided in the immediately preceding two sentences, during any Term Rate Period or the Fixed Rate Period, the 2018 Series B-2 Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, from any source, on or after the nearest May 1 or November 1 to the ninth anniversary of the commencement of the applicable Term Rate Term or the Fixed Rate Period, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-2 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

(D) During any Flexible Rate Period or Term Rate Period or the Fixed Rate Period, the 2018 Series B-2 Bonds are subject to special redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-2 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from any source other

than: (i) Voluntary Sale Proceeds; (ii) proceeds of bonds issued, or caused to be issued, by the Corporation for the purpose of refunding all or a portion of the 2018 Series B-2 Bonds or refinancing all or a portion of any Mortgage Loan or any mortgage loan underlying the Participant Interest, the 2002 Participant Interest or the 2003 Participant Interest (“Refunding Bonds”), except that the proceeds of Refunding Bonds described in the following sentence may be applied to the special redemption of the 2018 Series B-2 Bonds; or (iii) any other unencumbered funds of the Corporation not subject to the lien of the General Resolution. The 2018 Series B-2 Bonds are subject to the foregoing special redemption from the proceeds of Refunding Bonds issued in an amount not greater than any prepayment of a Mortgage Loan (including any 2018 Series B Mortgage Loan or any mortgage loan underlying the Participant Interest, the 2002 Participant Interest or the 2003 Participant Interest) received by the Corporation, which prepayment is not used to redeem Bonds. Amounts that may be applied to the foregoing special redemption include, but are not limited to: any prepayment of a 2018 Series B Excess Revenues Mortgage Loan or a mortgage loan underlying the Participant Interest, the 2002 Participant Interest or the 2003 Participant Interest by the Mortgagor or mortgagor thereof; upon the filing of a Cash Flow Statement, any prepayment of any other Mortgage Loans (except any Mortgage Loan financed under a Supplemental Resolution that prohibits such use); unexpended proceeds of the 2018 Series B-2 Bonds; and, upon the filing of a Cash Flow Statement, amounts held in the Revenue Account that are not required to be used for other purposes. Notwithstanding anything to the contrary contained in the General Resolution, this Supplemental Resolution or the Two Hundred Sixty-Second Supplemental Resolution, for the purposes of the redemption specified in this subsection (B), and all provisions of the General Resolution with respect thereto, the 2018 Series B Excess Revenues Mortgage Loans and the mortgage loans underlying the Participant Interest (and, on and after the 2002/2003 Cash Flow Transfer Date, the mortgage loans underlying the 2002 Participant Interest and the mortgage loans underlying the 2003 Participant Interest) shall be treated as having been financed from the proceeds of the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds without regard to Series as if the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds constituted one Series and as if the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds had financed the 2018 Series B Excess Revenues Mortgage Loans and the mortgage loans underlying the Participant Interest, the 2002 Participant Interest or the 2003 Participant Interest; provided, however, that in connection with any redemption specified in this subsection (B), the Corporation may, in its sole discretion, select Bonds of either or both of such Series to be redeemed.

(E) During the Index Rate Period with respect to the 2018 Series B-2 Bonds upon the initial issuance thereof, the 2018 Series B-2 Bonds shall be redeemed in part through application of Sinking Fund Payments as provided in Section 5.4(E) of the General Resolution on [ ] 1, 20[ ] and on each May 1 and November 1 thereafter, in each case at a Redemption Price equal to the principal amount of each 2018 Series B-2 Bond or portion thereof to be redeemed, together with interest accrued to the Redemption Date. Subject to the provisions of Sections 5.4(D) and 5.5(B) of the General Resolution permitting amounts to be credited toward part or all of any one or more Sinking Fund Payments, there shall be due and the Corporation shall in any and all events be required to pay on each of the dates set forth in the following table the amount set opposite each such date in said table, and said amount is hereby established and shall constitute a Sinking Fund Payment for the retirement of the 2018 Series B-2 Bonds, except that the amount for such date in said table shall be payable at the stated maturity date of such 2018 Series B-2 Bonds and shall not constitute a Sinking Fund Payment:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
	\$		\$

(F) If, upon the conversion of the interest rate on the 2018 Series B-2 Bonds to the Fixed Rate, the Corporation shall, in accordance with Section 701(D) of this Appendix A, have modified the schedule of redemptions through application of Sinking Fund Payments as provided in Section 5.4(E) of the General Resolution during the Fixed Rate Period, the 2018 Series B-2 Bonds shall be redeemed in part through application of Sinking Fund Payments as provided in said Section 5.4(E) at the times and in the amounts set forth in such schedule (subject to the provisions of Sections 5.4(D) and 5.5(B) of the General Resolution permitting amounts to be credited toward part or all of any one or more Sinking Fund Payments), in each case equal to the principal amount of each 2018 Series B-2 Bond or portion thereof to be redeemed, plus accrued interest to the Redemption Date.

Section 103. Method of Payment. Except as otherwise provided in Section 2.6 of the Supplemental Resolution or in a Liquidity Facility with respect to Bank Bonds, the principal or Redemption Price, if any, of the 2018 Series B-2 Bonds shall be payable at the corporate trust office of the Trustee in New York, New York, or at the office designated for such payment of any successor. Except as otherwise provided in Section 2.6 of the Supplemental Resolution or in a Liquidity Facility with respect to Bank Bonds, interest on the 2018 Series B-2 Bonds shall be paid by check or draft of the Trustee mailed to the registered owners thereof as of the applicable Record Date at their respective addresses as shown on the registration books of the Corporation maintained by the Trustee. With respect to all Bank Bonds, and upon written direction of the owner of \$1,000,000 or more principal amount of Outstanding 2018 Series B-2 Bonds, the Trustee shall provide for wire transfer to or at the direction of such owner of all payments of interest due on the 2018 Series B-2 Bonds so held.

Section 104. Interest Method Change Dates; Liquidity Facility; Tenders.  
 (A) No change in the method of determining the interest rate on the 2018 Series B-2 Bonds shall be made unless the Trustee has received, at least thirty (30) days prior to the Interest Method Change Date, (1) a Certificate of an Authorized Officer specifying (a) the date which is to be the Interest Method Change Date, (b) the method of determining the interest rate which shall take effect on such date, and (c) in the case of a Term Rate, the length of the Term Rate Term, (2) if necessary, an amendment to the Liquidity Facility conforming such Liquidity Facility to the requirements of the Supplemental Resolution applicable to such instrument from and after the Interest Method Change Date or provision for the issuance of an alternate Liquidity Facility meeting the requirements of the Supplemental Resolution, in which case the Interest Method



Change Date shall also be a Facility Change Date, and all provisions hereof relating to the provision of a Liquidity Facility shall be applicable; provided, however, that if the interest rate on the 2018 Series B-2 Bonds is to be changed to an Index Rate, a Term Rate or the Fixed Rate or, in the event of a remarketing on a private placement or direct sale basis pursuant to a Private Placement or Direct Sale Bond Purchase Agreement which is approved by the Members of the Corporation, and the Corporation decides to exercise its election pursuant to subsection (D) of this Section 104, no Liquidity Facility shall be required, and (3) a Bond Counsel's Opinion to the effect that the proposed change in the method of determining the interest rate on the 2018 Series B-2 Bonds is consistent with the provisions of the Supplemental Resolution. Notwithstanding anything to the contrary contained herein, the provisions of this subsection (A) shall not apply to a change in the interest rate on a particular 2018 Series B-2 Bond on an Interest Adjustment Date relating to such 2018 Series B-2 Bond during any Flexible Rate Period.

(B) Subject to the provisions of subsection (C) or (D) of this Section 104, the Corporation reserves the right to make provision for or cause the replacement of any Liquidity Facility with respect to the 2018 Series B-2 Bonds; provided, however, that during any Daily Rate Period, Weekly Rate Period or Flexible Rate Period (except in the event of a remarketing on a private placement or direct sale basis pursuant to a Private Placement or Direct Sale Bond Purchase Agreement which is approved by the Members of the Corporation), a Liquidity Facility must be in effect with respect to the 2018 Series B-2 Bonds, and during any Index Rate Period or Term Rate Period or the Fixed Rate Period, or in the event of a remarketing on a private placement or direct sale basis pursuant to a Private Placement or Direct Sale Bond Purchase Agreement which is approved by the Members of the Corporation, only, the Corporation may elect to provide no Liquidity Facility. In addition, on and after the date that the 2018 Series B-2 Bonds are remarketed to bear interest at a Daily Rate, Weekly Rate or Flexible Rate, the 2018 Series B-2 Bonds shall be the subject of a Remarketing Agreement and Tender Agent Agreement.

(C) The Corporation may not exercise its right to make provision for a Liquidity Facility or cause the replacement of any Liquidity Facility, unless the Corporation has provided the Trustee with the following: (1) a Bond Counsel's Opinion to the effect that the proposed Liquidity Facility meets the requirements of the Supplemental Resolution, (2) an opinion of counsel to the obligor under such Liquidity Facility, addressed to the Trustee, stating that such Liquidity Facility constitutes a legal, valid and binding obligation of such obligor and is enforceable in accordance with its terms (except as enforceability thereof may be limited by applicable laws for the relief of debtors and by general principles of equity which permit the exercise of judicial discretion), (3)(a) in the event of the provision of a Liquidity Facility, a letter from each national rating agency or agencies then rating the 2018 Series B-2 Bonds to the effect that such Liquidity Facility will provide the 2018 Series B-2 Bonds with an investment grade rating, (b) in the event any Liquidity Facility is being replaced with another Liquidity Facility, a letter from each national rating agency or agencies then rating the 2018 Series B-2 Bonds to the effect that such Liquidity Facility will not adversely affect the then current rating on the 2018 Series B-2 Bonds and (c) in the event no rating is in effect with respect to the 2018 Series B-2 Bonds at the time a Liquidity Facility is being provided or a Liquidity Facility is being replaced, a letter from at least one national rating agency to the effect that such Liquidity Facility will provide the 2018 Series B-2 Bonds with an investment grade rating, and (4) an amount sufficient

to pay all costs incurred by the Trustee and the Corporation in connection with the provision of such Liquidity Facility.

(D) The Corporation may elect to provide no Liquidity Facility during a Term Rate Period or the Fixed Rate Period or, in the event of a remarketing on a private placement or direct sale basis pursuant to a Private Placement or Direct Sale Bond Purchase Agreement which is approved by the Members of the Corporation, at any time, if the Corporation provides to the Trustee evidence satisfactory to the Trustee that the 2018 Series B-2 Bonds will continue to be rated in a category not lower than the "A" category by the national rating agency or agencies then rating the 2018 Series B-2 Bonds, or that the 2018 Series B-2 Bonds as thus secured are secured on a basis comparable to that of other obligations of the Corporation then being offered in the public markets by the Corporation; provided, however, that no rating shall be required in the event of a remarketing on a private placement or direct sale basis pursuant to a Private Placement or Direct Sale Bond Purchase Agreement which is approved by the Members of the Corporation.

(E) No Interest Method Change Date or Facility Change Date described in clause (i) of the definition thereof shall occur unless the Trustee has received a Bond Counsel's Opinion, dated as of the Change Date, to the effect that the change is consistent with the provisions of the Supplemental Resolution. Notwithstanding anything to the contrary contained herein, the provisions of this subsection (E) shall not apply to a change in the interest rate on a particular 2018 Series B-2 Bond on an Interest Adjustment Date relating to such 2018 Series B-2 Bond during any Flexible Rate Period.

(F) (1) If (a) a notice of an Interest Method Change Date has been given in accordance with Section 801 of this Appendix A and (b) any of the conditions precedent to an Interest Method Change Date set forth in this Section 104 have not been satisfied, then (i) the new method of determining the interest rate on the 2018 Series B-2 Bonds shall not take effect, (ii) the 2018 Series B-2 Bonds shall be subject to mandatory tender on the proposed Interest Method Change Date and the holders of the 2018 Series B-2 Bonds shall not have the right to retain their 2018 Series B-2 Bonds and (iii) the method of determining the interest rate on the 2018 Series B-2 Bonds shall remain unchanged on the proposed Interest Method Change Date, without any further action by any party.

(2) If (a) a notice of a Facility Change Date has been given in accordance with Section 801 of this Appendix A and (b) any of the conditions precedent to a Facility Change Date set forth in this Section 104 have not been satisfied, then the Facility Change Date shall be cancelled, unless the prior Liquidity Facility is expiring within sixty (60) days after the Facility Change Date. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, to the owner of each 2018 Series B-2 Bond at the address shown on the registration books of the Corporation, a notice stating that the change shall not occur and the reasons therefor and that the mandatory tender shall be canceled.

## CHAPTER 2

### PROVISIONS OF 2018 SERIES B-2 BONDS DURING DAILY RATE PERIOD

Section 201. Interest Rate Determination. (A) Whenever in this Chapter 2 there is reference to "2018 Series B-2 Bonds" or a "Daily Rate Period," such reference shall relate to any Series of 2018 Series B-2 Bonds that bear a Daily Rate. At such time as shall be designated by the Corporation for a change of the method of determining the interest rate on the 2018 Series B-2 Bonds to the Daily Rate until the earlier of the next succeeding Interest Method Change Date or the final maturity or redemption in whole of the 2018 Series B-2 Bonds, the 2018 Series B-2 Bonds shall bear interest at the Daily Rate determined in accordance with this Section 201.

(B) During any Daily Rate Period, the 2018 Series B-2 Bonds shall bear interest at the Daily Rate. The Daily Rate shall be determined as follows; provided, however, that in the event of a remarketing on a private placement or direct sale basis, the Daily Rate shall be the rate for the 2018 Series B-2 Bonds determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing pursuant to the Private Placement or Direct Sale Bond Purchase Agreement. The Daily Rate shall be the lowest interest rate, not exceeding the Maximum Rate, which, as of the date of determination and under prevailing market conditions, would result as nearly as practicable in the market price for the 2018 Series B-2 Bonds during a Daily Rate Term being one hundred percent (100%) of the principal amount thereof. The Remarketing Agent or the Corporation, as the case may be, shall determine the Daily Rate not later than 10:00 a.m., New York City time, on the Business Day of the commencement of the Daily Rate Term to which it relates. The Remarketing Agent or the Corporation, as the case may be, shall immediately give notice of the determination of any Daily Rate pursuant to this Section 201 to the Corporation, if applicable, the Trustee, the Tender Agent and the Liquidity Provider, by telecopy or other similar means of electronic communication or by such other method of communication as shall be mutually agreed upon by the Remarketing Agent or the Corporation, as the case may be, and the recipients of such notice.

(C) On the Business Day immediately following the establishment of a Daily Rate Period for the 2018 Series B-2 Bonds, the Trustee shall deliver or mail by first-class mail, postage prepaid or by facsimile transmission or other similar electronic means, to the owner of each 2018 Series B-2 Bond at the address shown on the registration books of the Corporation, a notice stating that from and after the effective date of such Daily Rate Period the 2018 Series B-2 Bonds will bear interest at the Daily Rate for the duration of the applicable Daily Rate Period. Such notice shall further specify the name, address and telephone number of the person or persons from whom information with respect to the Daily Rate for each succeeding Daily Rate Term may be obtained.

(D) Unless an Interest Method Change Date occurs, a new Daily Rate Term shall automatically commence on the day after the termination of the current Daily Rate Term.

(E) If for any reason the position of Remarketing Agent is vacant or the Remarketing Agent or the Corporation, as the case may be, fails in the performance of its duty to determine the Daily Rate for any Daily Rate Term or the Daily Rate is held to be invalid or unenforceable by a court of law, as set forth in a written notice from the Corporation to the

Trustee, the Daily Rate for such Daily Rate Term shall be determined by the Trustee and shall be (i) if a Liquidity Facility is in effect, one hundred percent (100%) of The Securities Industry and Financial Markets Association Municipal Swap Index published in *The Bond Buyer* or otherwise made available to the Trustee or (ii) if a Liquidity Facility is not in effect, the Maximum Rate.

(F) Any determination of any interest rate pursuant to this Section 201 shall be conclusive and binding upon the Trustee, the Tender Agent, the Remarketing Agent, the Corporation, the Liquidity Provider, and the owners of the 2018 Series B-2 Bonds.

Section 202. Purchase Provisions. During any Daily Rate Period, the 2018 Series B-2 Bonds shall contain the Mandatory Purchase Provision and the Demand Purchase Option.

## CHAPTER 3

### PROVISIONS OF 2018 SERIES B-2 BONDS DURING WEEKLY RATE PERIOD

Section 301. Interest Rate Determination. (A) Whenever in this Chapter 3 there is reference to “2018 Series B-2 Bonds” or a “Weekly Rate Period,” such reference shall relate to any Series of 2018 Series B-2 Bonds that bear a Weekly Rate. At such time as shall be designated by the Corporation for a change of the method of determining the interest rate on the 2018 Series B-2 Bonds to the Weekly Rate until the earlier of the next succeeding Interest Method Change Date or the final maturity or redemption in whole of the 2018 Series B-2 Bonds, the 2018 Series B-2 Bonds shall bear interest at the Weekly Rate determined in accordance with this Section 301.

(B) During any Weekly Rate Period, the 2018 Series B-2 Bonds shall bear interest at the Weekly Rate. The Weekly Rate shall be determined as follows; provided, however, that in the event of a remarketing on a private placement or direct sale basis, the Weekly Rate shall be the rate for the 2018 Series B-2 Bonds determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing pursuant to the Private Placement or Direct Sale Bond Purchase Agreement. The Weekly Rate shall be the lowest interest rate, not exceeding the Maximum Rate, which, as of the date of determination and under prevailing market conditions, would result as nearly as practicable in the market price for the 2018 Series B-2 Bonds on the Weekly Effective Rate Date being one hundred percent (100%) of the principal amount thereof. The Remarketing Agent or the Corporation, as the case may be, shall determine the Weekly Rate not later than 4:00 p.m., New York City time, on day immediately preceding the Weekly Effective Rate Date for each Weekly Rate Term. The Remarketing Agent or the Corporation, as the case may be, shall immediately give notice of the determination of any Weekly Rate pursuant to this Section 301 to the Corporation, if applicable, the Trustee, the Tender Agent and the Liquidity Provider, by telecopy or other similar means of electronic communication or by such other method of communication as shall be mutually agreed upon by the Remarketing or the Corporation, as the case may be, and the recipients of such notice.

(C) On the Business Day immediately following the establishment of any Weekly Rate Period for the 2018 Series B-2 Bonds, the Trustee shall deliver or mail by first-class mail, postage prepaid or by facsimile transmission or other similar electronic means, to the owner of each 2018 Series B-2 Bond at the address shown on the registration books of the Corporation, a notice stating the Weekly Rate to be borne by the 2018 Series B-2 Bonds, and that from and after the Weekly Effective Rate Date the 2018 Series B-2 Bonds will bear interest at the Weekly Rate for the duration of the applicable Weekly Rate Period. Such notice shall further specify the name, address and telephone number of the person or persons from whom information with respect to the Weekly Rate for each succeeding Weekly Rate Term may be obtained.

(D) Unless an Interest Method Change Date occurs, a new Weekly Rate Term shall automatically commence on the day after the termination of the current Weekly Rate Term.

(E) If for any reason the position of Remarketing Agent is vacant or the Remarketing Agent or the Corporation, as the case may be, fails in the performance of its duty to determine the Weekly Rate for any Weekly Rate Term or the Weekly Rate is held to be invalid or unenforceable by a court of law, as set forth in a written notice from the Corporation to the Trustee, the Weekly Rate for such Weekly Rate Term shall be determined by the Trustee and shall be (i) if a Liquidity Facility is in effect, one hundred percent (100%) of The Securities Industry and Financial Markets Association Municipal Swap Index published in *The Bond Buyer* or otherwise made available to the Trustee or (ii) if a Liquidity Facility is not in effect, the Maximum Rate.

(F) Any determination of any interest rate pursuant to this Section 301 shall be conclusive and binding upon the Trustee, the Tender Agent, the Remarketing Agent, the Corporation, the Liquidity Provider, and the owners of the 2018 Series B-2 Bonds.

Section 302. Purchase Provisions. During any Weekly Rate Period, the 2018 Series B-2 Bonds shall contain the Mandatory Purchase Provision and the Demand Purchase Option.

## CHAPTER 4

### PROVISIONS OF 2018 SERIES B-2 BONDS DURING INDEX RATE PERIOD

Section 401. Definitions. As used in this Chapter 4:

“Determination Date” means the date which is two (2) London Banking Days prior to the next Reset Date.

“London Banking Day” means any date on which commercial banks in London, England are open for general business (including dealings in foreign exchange and foreign currency deposits).

“Prime Rate” means the fluctuating rate per annum equal to the “Prime Rate” listed daily in the “Money Rate” section of *The Wall Street Journal* or, if *The Wall Street Journal* is not published on a particular Business Day, then, the “prime rate” published on the display designated as page “PRIMBB” on the Bloomberg Financial Markets Commodities News Service.

“Reset Date” means February 1, May 1, August 1 and November 1 of each year, commencing [August 1], 2018, with respect to the 2018 Series B-2 Bonds upon the initial issuance thereof, and the date determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing of the 2018 Series B-2 Bonds, with respect to the 2018 Series B-2 Bonds upon a remarketing thereof into an Index Rate Period.

Section 402. Interest Rate Provisions. (A) Whenever in this Chapter 4 there is reference to “2018 Series B-2 Bonds” or an “Index Rate Period,” such reference shall relate to any Series of 2018 Series B-2 Bonds that bear an Index Rate. From their date of initial issuance and delivery and at such time as shall be designated by the Corporation for a change of the method of determining the interest rate on the 2018 Series B-2 Bonds to the Index Rate until the earlier of the next succeeding Interest Method Change Date or the final maturity or redemption in whole of the 2018 Series B-2 Bonds, the 2018 Series B-2 Bonds shall bear interest at the Index Rate determined in accordance with this Section 402.

(B) During any Index Rate Period, the 2018 Series B-2 Bonds shall bear interest at the Index Rate. The Index Rate shall be established for each Index Rate Term and shall, with respect to such Index Rate Term, be in effect from the Reset Date that is the first day of such Index Rate Term until (but not including) the next Reset Date (or earlier redemption date). Notwithstanding the preceding two sentences, the Index Rate from the date of initial issuance and delivery of the 2018 Series B-2 Bonds to and including [April 30][July 31], 2018 shall be as set forth in a Certificate of an Authorized Officer of the Corporation delivered to the Trustee on the date of initial issuance and delivery of the 2018 Series B-2 Bonds. The Index Rate for each Index Rate Term shall equal, subject to the Maximum Rate, Three-Month LIBOR (determined as provided below) plus the applicable Designated Percentage. Three-Month LIBOR with respect to an Index Rate Term beginning on a particular Reset Date shall be determined on the Determination Date which immediately precedes such Reset Date and shall be the greater of (a) zero percent (0%) or (b) the per annum rate for deposits in United States dollars

for three (3) months which appears on the Bloomberg Screen US0003M<Index>HP or another page of that or any other financial reporting service in general use in the financial services industry (or any successor thereto) (“LIBOR Page”) as of 11:00 a.m., London, England time, on such Determination Date (“Three-Month LIBOR”).

(C) If on a Determination Date such rate does not appear on the LIBOR Page, the Trustee will request the principal London, England office of each of at least two major banks, determined by the Trustee, that are engaged in transactions in the London interbank market, to provide the Trustee with its offered quotation for United States dollar deposits for three (3) months to prime banks in the London interbank market as of 11:00 a.m., London, England time, on such date. If at least two such major banks provide the Trustee with such offered quotations, Three-Month LIBOR on such date will be the greater of (a) zero percent (0%) or (b) the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one-thirty-second being rounded upwards) of all such quotations. If on such date fewer than two of the major banks provide the Trustee with such an offered quotation, Three-Month LIBOR on such date will be the greater of (a) zero percent (0%) or (b) the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one-thirty-second being rounded upwards) of the offered rates which one or more leading banks in the City of New York (other than the Trustee or another bank owned by, or affiliated with, the Trustee) are quoting as of 11:00 a.m., New York City time, on such date to leading European banks for United States dollar deposits for three (3) months; provided, however, that if such banks are not quoting as described above, Three-Month LIBOR will be the Three-Month LIBOR applicable to the most recent Index Rate Term for which Three-Month LIBOR was available.

(D) At any time an Authorized Officer of the Corporation may, with the written consent of either (i) the registered owner of all 2018 Series B-2 Bonds at such time or (ii) the person or persons who the Trustee in its discretion determines are the Beneficial Owners of all 2018 Series B-2 Bonds at such time, deliver to the Trustee a Certificate defining an interest rate index to replace Three-Month LIBOR (the “Substitute Index”) effective on and after a date specified in such Certificate (the “Substitute Index Effective Date”). In such event, notwithstanding anything to the contrary contained in this Supplemental Resolution, “Three-Month LIBOR” on and after such Substitute Index Effective Date shall mean the Substitute Index as defined in such Certificate (and shall no longer mean the rate that is (i) the greater of clauses (a) and (b) of the last sentence of subsection (B) of this Section 402 or (ii) determined pursuant to subsection (C) of this Section 402).

(E) No later than the close of business on the second Business Day immediately following each Determination Date, the Trustee shall give notice of the Index Rate for the 2018 Series B-2 Bonds determined on such Determination Date to the Corporation and to each owner of the 2018 Series B-2 Bonds who has filed its name and address with the Trustee for such purpose.

(F) Any determination of any interest rate pursuant to this Section 402 shall be conclusive and binding upon the Trustee, the Tender Agent, the Remarketing Agent, the Corporation, the Liquidity Provider, if any, and the owners of the 2018 Series B-2 Bonds.



Section 403. Purchase Provisions. During any Index Rate Period, the 2018 Series B-2 Bonds shall contain the Mandatory Purchase Provision and the Demand Purchase Option.

## CHAPTER 5

### PROVISIONS OF 2018 SERIES B-2 BONDS DURING FLEXIBLE RATE PERIOD

Section 501. Interest Rate Provisions. (A) Whenever in this Chapter 5 there is reference to "2018 Series B-2 Bonds" or a "Flexible Rate Period," such reference shall relate to any Series of 2018 Series B-2 Bonds that bear a Flexible Rate. At such time as shall be designated by the Corporation for a change of the method of determining the interest rate on the 2018 Series B-2 Bonds to the Flexible Rate (the "Flexible Rate Start Date") until the earlier of the next Interest Method Change Date or the final maturity or redemption of the 2018 Series B-2 Bonds, each 2018 Series B-2 Bond shall bear interest at the Flexible Rate determined in accordance with this Section 501.

(B) During any Flexible Rate Period, each 2018 Series B-2 Bond shall bear interest at a Flexible Rate. The Flexible Rate with respect to any particular 2018 Series B-2 Bond shall be determined as follows; provided, however, that in the event of a remarketing on a private placement or direct sale basis, the Flexible Rate shall be the rate for the 2018 Series B-2 Bonds determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing pursuant to the Private Placement or Direct Sale Bond Purchase Agreement. The Flexible Rate with respect to any particular 2018 Series B-2 Bond shall be the lowest interest rate, not exceeding the Maximum Rate, which, as of the date of determination and under prevailing market conditions, would result as nearly as practicable in the market price for such 2018 Series B-2 Bond on the Flexible Rate Start Date (or subsequent Interest Adjustment Date, as the case may be) being one hundred percent (100%) of the principal amount thereof given the applicable Flexible Rate Term for such 2018 Series B-2 Bond. The Remarketing Agent or the Corporation, as the case may be, shall determine the Flexible Rate not later than 1:00 p.m., New York City time, on the first Business Day of the Flexible Rate Term. The Flexible Rate shall be communicated immediately by the Remarketing Agent or the Corporation, as the case may be, by telex, telecopy or other similar electronic means of communication, or by telephone promptly followed by written notice mailed by electronic mail or first-class mail, postage prepaid, to the Trustee, the Liquidity Provider, the Tender Agent, and the Corporation, if applicable, such communication to be received not later than 1:00 p.m., New York City time, on the day such Flexible Rate is determined.

(C) Notice of each Flexible Rate shall be prepared by the Trustee for mailing by the Tender Agent, and shall be sent by the Tender Agent by first-class mail, postage prepaid, to each owner of 2018 Series B-2 Bonds, the Corporation, and the Liquidity Provider within seven (7) days after such Flexible Rate is determined pursuant to Section 501(B) above.

(D) The Flexible Rate Term with respect to any particular 2018 Series B-2 Bond is the period commencing on the Flexible Rate Start Date and ending not more than 270 days thereafter, selected by the Corporation as the Flexible Rate Term with respect to such 2018 Series B-2 Bond; provided that any Flexible Rate Term selected in accordance with the provisions of Section 501(A) shall be selected such that the Interest Adjustment Date occurring on the day immediately following the last day of such Flexible Rate Term shall be a Business Day. Subsequent Flexible Rate Terms of up to 270 days, selected by the Corporation, shall commence on the day immediately following the end of the preceding Flexible Rate Term with

respect to any particular 2018 Series B-2 Bond (each such day an “Interest Adjustment Date”), unless the interest rate on the 2018 Series B-2 Bonds shall be converted to a Daily Rate, Weekly Rate or Term Rate or to the Fixed Rate pursuant to the provisions of the Supplemental Resolution or the 2018 Series B-2 Bonds mature or are redeemed in whole on such date. Notwithstanding the foregoing, the Corporation may not select a Flexible Rate Term for a particular 2018 Series B-2 Bond longer than the time remaining to the earlier of (i) the remaining term of the Liquidity Facility and (ii) the final maturity of the 2018 Series B-2 Bonds.

(E) If for any reason the position of Remarketing Agent is vacant or if the Remarketing Agent or the Corporation, as the case may be, fails in the performance of its duty to determine the Flexible Rate for any Flexible Rate Term or the Flexible Rate is held to be invalid or unenforceable by a court of law, as set forth in a written notice from the Corporation to the Trustee, such Flexible Rate Term shall convert to a one (1) day period. The Flexible Rate for such Flexible Rate Term shall be determined by the Trustee and shall be (i) if a Liquidity Facility is in effect, one hundred percent (100%) of The Securities Industry and Financial Markets Association Municipal Swap Index published in *The Bond Buyer* or otherwise made available to the Trustee or (ii) if a Liquidity Facility is not in effect, the Maximum Rate.

(F) Any determination of any interest rate pursuant to this Section 501 shall be conclusive and binding upon the Trustee, the Tender Agent, the Remarketing Agent, the Corporation, the Liquidity Provider, and the owners of the 2018 Series B-2 Bonds.

Section 502. Purchase Provisions. During any Flexible Rate Period, the 2018 Series B-2 Bonds shall contain the Mandatory Purchase Provision.

## CHAPTER 6

### PROVISIONS OF 2018 SERIES B-2 BONDS DURING TERM RATE PERIOD

Section 601. Interest Rate Provisions. (A) Whenever in this Chapter 6 there is reference to “2018 Series B-2 Bonds” or a “Term Rate Period,” such reference shall relate to any Series of 2018 Series B-2 Bonds that bear a Term Rate. At such time as shall be designated by the Corporation for a change of the method of determining the interest rate on the 2018 Series B-2 Bonds to the Term Rate or the date of commencement of a subsequent Term Rate Term (the “Term Rate Start Date”) until the earlier of the next Interest Method Change Date or the final maturity or redemption in whole of the 2018 Series B-2 Bonds, the 2018 Series B-2 Bonds shall bear interest at the Term Rate determined in accordance with this Section 601.

(B) During any Term Rate Period, the 2018 Series B-2 Bonds shall bear interest at the Term Rate. The Term Rate shall be determined as follows; provided, however, that in the event of a remarketing on a private placement or direct sale basis, the Fixed Rate shall be the rate for the 2018 Series B-2 Bonds determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing pursuant to the Private Placement or Direct Sale Bond Purchase Agreement. The Term Rate shall be the lowest interest rate, not exceeding the Maximum Rate, which, as of the date of determination and under prevailing market conditions, would result as nearly as practicable in the market price for the 2018 Series B-2 Bonds on the Term Rate Start Date (or subsequent Interest Adjustment Date, as the case may be) being one hundred percent (100%) of the principal amount thereof. The Remarketing Agent or the Corporation, as the case may be, shall determine the Term Rate not later than 12:00 noon, New York City time, on the Business Day immediately preceding the Term Rate Start Date. Any determination of any interest rate pursuant to this Chapter 6 shall be conclusive and binding upon the Trustee, the Tender Agent, the Corporation, the Liquidity Provider, if any, the Remarketing Agent and the owners of the 2018 Series B-2 Bonds. The Term Rate shall be communicated immediately by the Remarketing Agent or the Corporation, as the case may be, by telecopy or other similar electronic means of communication, or by telephone promptly followed by written notice mailed by electronic mail or first-class mail, postage prepaid, to the Trustee, the Liquidity Provider, if any, the Tender Agent, and the Corporation, such communication to be received not later than 4:00 p.m., New York City time, on the day such Term Rate is determined.

(C) Notice of each Term Rate shall be prepared by the Trustee for mailing by the Tender Agent, and shall be sent by the Tender Agent by first-class mail, postage prepaid, to each owner of 2018 Series B-2 Bonds and the Liquidity Provider, if any, within seven (7) days after such Term Rate is determined pursuant to Section 601(B) above.

(D) The Term Rate Term is the period commencing on the Term Rate Start Date and ending on the earlier of (i) the day preceding (a) the two-month anniversary thereof or (b) such later anniversary as corresponds to the integral multiple of two (2) months selected by the Corporation and set forth in a Certificate of an Authorized Officer delivered to the Trustee on the applicable Term Rate Start Date, or (ii) the Discretionary Tender Date, as the Term Rate Term. Subsequent Term Rate Terms of two (2) months or such integral multiples of two (2) months as may be designated by the Corporation and set forth in a Certificate of an Authorized

Officer delivered to the Trustee on the applicable Term Rate Start Date shall commence on the anniversary of the Term Rate Start Date following the end of the preceding Term Rate Term (each such anniversary an "Interest Adjustment Date"), unless the interest rate on the 2018 Series B-2 Bonds shall be converted to a Daily Rate, Weekly Rate or Flexible Rate or to the Fixed Rate pursuant to the provisions of the Supplemental Resolution or the 2018 Series B-2 Bonds mature or are redeemed in whole on such date. Notwithstanding the foregoing, (a) the Corporation may not select a Term Rate Term longer than the time remaining to the earlier of (i) the remaining term of any applicable Liquidity Facility or (ii) the final maturity of the 2018 Series B-2 Bonds, and (b) if the anniversary of a Term Rate Start Date is a day other than a Business Day, such anniversary shall be deemed to be the immediately preceding Business Day.

(E) If for any reason during any Term Rate Term such Term Rate cannot be established or is held to be invalid or unenforceable by a court of law, the interest rate on the 2018 Series B-2 Bonds shall be converted to the Weekly Rate determined by the Trustee and shall be one hundred percent (100%) of The Securities Industry and Financial Markets Association Municipal Swap Index published in *The Bond Buyer* or otherwise made available to the Trustee.

(F) Any notice to the Trustee by the Remarketing Agent or the Corporation, as the case may be, of the Term Rate as contemplated by the foregoing subsection (B) of this Section 601 and any determination of any interest rate pursuant to subsection (E) of this Section 601 shall be conclusive and binding upon the Trustee, the Tender Agent, the Remarketing Agent, the Corporation, the Liquidity Provider, if any, and the owners of the 2018 Series B-2 Bonds.

Section 602. Purchase Provisions. During any Term Rate Period, the 2018 Series B-2 Bonds shall contain the Mandatory Purchase Provision.

## CHAPTER 7

### PROVISIONS OF 2018 SERIES B-2 BONDS DURING FIXED RATE PERIOD

Section 701. Interest Rate Provisions. (A) Whenever in this Chapter 7 there is reference to “2018 Series B-2 Bonds” or a “Fixed Rate Period,” such reference shall relate to any Series of 2018 Series B-2 Bonds that bear the Fixed Rate. The 2018 Series B-2 Bonds shall bear interest at the Fixed Rate determined in accordance with this Section 701 at such time as shall be designated by the Corporation (the “Fixed Rate Conversion Date”), in which case the Fixed Rate shall be applicable until the final maturity or redemption in whole of the 2018 Series B-2 Bonds.

(B) During the Fixed Rate Period, the 2018 Series B-2 Bonds will bear interest at the Fixed Rate. The Fixed Rate shall be determined as follows; provided, however, that in the event of a remarketing on a private placement or direct sale basis, the Fixed Rate shall be the rate for the 2018 Series B-2 Bonds determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of remarketing pursuant to the Private Placement or Direct Sale Bond Purchase Agreement. The Fixed Rate shall be the lowest interest rate or rates, not exceeding the Maximum Rate, which, as of the date of determination and under prevailing market conditions, would result as nearly as practicable in the market price for the 2018 Series B-2 Bonds on the Fixed Rate Conversion Date being one hundred percent (100%) of the principal amount thereof. The Remarketing Agent or the Corporation, as the case may be, shall determine the Fixed Rate not later than 12:00 noon, New York City time, on the Business Day immediately preceding the Fixed Rate Conversion Date and such determination shall be conclusive and binding upon the Trustee, the Tender Agent, the Corporation, the Liquidity Provider, if any, the Remarketing Agent, and the owners of the 2018 Series B-2 Bonds. Such Fixed Rate shall be communicated immediately by the Remarketing Agent or the Corporation, as the case may be, by telecopy or other similar electronic means of communication, or by telephone promptly followed by written notice mailed by electronic mail or first-class mail, postage prepaid, to the Trustee, the Tender Agent, the Corporation, if applicable, and the Liquidity Provider, if any, such communication to be received not later than 4:00 p.m., New York City time, on the date of such determination. The Trustee, within seven (7) days following the Fixed Rate Conversion Date, shall give notice thereof by first-class mail, postage prepaid, to each owner of 2018 Series B-2 Bonds (as of the Fixed Rate Conversion Date) and the Liquidity Provider, if any.

(C) If for any reason such Fixed Rate cannot be established or is held to be invalid or unenforceable by a court of law, or if for any reason the Remarketing Agent or the Corporation, as the case may be, fails to determine the Fixed Rate for the Fixed Rate Period as provided in subsection (B) above, then the rate of interest on the 2018 Series B-2 Bonds shall be converted to the Weekly Rate determined by the Trustee and shall be one hundred percent (100%) of The Securities Industry and Financial Markets Association Municipal Swap Index published in *The Bond Buyer* or otherwise made available to the Trustee.

(D) Upon the conversion of the rate of interest on the 2018 Series B-2 Bonds to the Fixed Rate, the Corporation may, by notice to the Trustee, modify the schedule of principal amounts of the 2018 Series B-2 Bonds to mature or be subject to redemption through the application of Sinking Fund Payments on the dates so specified by the Corporation.

## CHAPTER 8

### MANDATORY PURCHASE PROVISION AND DEMAND PURCHASE OPTION

Section 801. Mandatory Purchase Provisions. (A) The provisions of this Chapter 8 apply to any Series of 2018 Series B-2 Bonds for which the Mandatory Purchase Provision and the Demand Purchase Option apply. The 2018 Series B-2 Bonds shall be subject to mandatory tender for purchase by the owners thereof on any Change Date; provided, however, that if such Change Date is an Interest Method Change Date which is an Interest Adjustment Date with respect to 2018 Series B-2 Bonds bearing interest at a Flexible Rate during a particular Flexible Rate Term, only such 2018 Series B-2 Bonds to which such Interest Adjustment Date relates shall be subject to mandatory tender for purchase by the owners thereof on such Change Date. The Trustee shall deliver or mail by first class mail a notice not later than fifteen (15) days prior to the Change Date to the Remarketing Agent, the Liquidity Provider, if any, and to the owner of each 2018 Series B-2 Bond to which such notice relates at the address shown on the registration books of the Corporation. Any notice given as provided in this subsection (A) shall be conclusively presumed to have been duly given, whether or not the owner receives the notice. Said notice shall set forth, in substance, the following:

- (i) the Change Date and the reason therefor; and
- (ii) the Purchase Price for the affected 2018 Series B-2 Bonds and that all owners of affected 2018 Series B-2 Bonds shall be deemed to have tendered their affected 2018 Series B-2 Bonds for purchase on the Change Date.

Notwithstanding the foregoing, with respect to an Interest Method Change Date that is an Interest Adjustment Date relating to 2018 Series B-2 Bonds bearing interest at a Flexible Rate during a particular Flexible Rate Term, no such notice shall be given. Owners of 2018 Series B-2 Bonds to which a mandatory tender for purchase relates shall be required to tender their affected 2018 Series B-2 Bonds to the Tender Agent, for purchase at the Purchase Price, with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank, and any Undelivered Bonds for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount of moneys sufficient to pay the Purchase Price of the Undelivered Bonds, shall be deemed to have been purchased at the Purchase Price pursuant to this Section 801(A). IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED 2018 SERIES B-2 BONDS TO DELIVER ITS AFFECTED 2018 SERIES B-2 BONDS ON OR PRIOR TO THE CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED BONDS, AND ANY UNDELIVERED BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTION, EXCEPT FOR THE PURPOSE OF PAYMENT OF THE PURCHASE PRICE THEREFOR.

(B) The Trustee shall provide the Tender Agent with a copy of any notice delivered to the owners of the 2018 Series B-2 Bonds pursuant to this Section 801.

(C) The foregoing notwithstanding, failure by the Trustee to provide any notice required by this Section 801 shall not, of itself, prevent the occurrence of a Change Date.

Section 802. Demand Purchase Option. (A) At any time during any Daily Rate Period or Weekly Rate Period, or (ii) on or after [August 1, 2019], with respect to the 2018 Series B-2 Bonds in an Index Rate Period upon the initial issuance thereof, or (iii) on or after the date determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of any remarketing of the 2018 Series B-2 Bonds into an Index Rate Period, any 2018 Series B-2 Bond, in an authorized denomination, shall be purchased at the Purchase Price from the owner thereof upon:

(1) delivery to the Tender Agent at its Principal Office and the Remarketing Agent at its Principal Office, or to the Corporation if such 2018 Series B-2 Bond is being purchased by the Corporation, of a written, personal (except as provided in paragraph (D) below), electronic (except as provided in paragraph (D) below) or telephonic (except as provided in paragraph (D) below) notice delivered prior to 10:00 a.m., New York City time, on any Business Day during any Daily Rate Period, or a written, personal, electronic or telephonic notice delivered prior to 5:00 p.m., New York City time, on any Business Day during any Weekly Rate Period, or a written, personal, electronic or telephonic notice delivered prior to 5:00 p.m., New York City time, on any Reset Date during any Index Rate Period, in a form satisfactory to the Tender Agent or the Corporation, as applicable (said notice to be irrevocable and effective upon receipt) which (a) states the aggregate principal amount of the 2018 Series B-2 Bonds to be purchased and the numbers of such 2018 Series B-2 Bonds to be purchased and (b) states the date on which such 2018 Series B-2 Bonds are to be purchased, which date shall be (i) the date of delivery of such notice during any Daily Rate Period or (ii) a Business Day not prior to the seventh (7th) day next succeeding the date of delivery of such notice and which date shall be prior to any Change Date during any Weekly Rate Period or (iii) the fourth Reset Date next succeeding the date of delivery of such notice during any Index Rate Period; provided, however, that if such Reset Date is not a Business Day, the purchase date shall instead be the next succeeding Business Day; and provided further, however, the first date on which such notice may be delivered during the Index Rate Period following (I) the initial issuance and delivery of the 2018 Series B-2 Bonds is [August 1], 2018 and (II) the remarketing of the 2018 Series B-2 Bonds into an Index Rate Period is the date determined by an Authorized Officer and set forth in a Certificate delivered to the Trustee on the date of such remarketing of the 2018 Series B-2 Bonds;

(2) if such Bonds are to be purchased prior to an Interest Payment Date and after the Record Date in respect thereof, delivery to the Tender Agent, together with the written notice described in (1) above, of a due-bill check, payable to bearer, for interest due on such Interest Payment Date; and

(3) delivery to the Tender Agent, at or prior to 1:00 p.m., New York City time, during any Daily Rate Period, or at or prior to 12:00 noon, New York City time, during any Weekly Rate Period or Index Rate Period, or to the Corporation, at or prior to 12:00 noon, New York City time, on the date designated for purchase in the notice described in (1) above of such 2018 Series B-2 Bonds in a principal amount equal



to any authorized denomination as provided in Section 101(B) hereof to be purchased with an appropriate endorsement for transfer to the Tender Agent or the Corporation, as applicable, or accompanied by a bond power endorsed in blank;

provided, however, that no 2018 Series B-2 Bonds of any owner shall be purchased unless any remaining 2018 Series B-2 Bonds of such owner shall be in an authorized denomination as provided in Section 101(B) hereof.

(B) Any Undelivered Bonds for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount of moneys sufficient to pay the Purchase Price of the Undelivered Bonds, shall be deemed to have been purchased at the Purchase Price pursuant to this Section 802(B). IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED 2018 SERIES B-2 BONDS TO DELIVER ITS AFFECTED 2018 SERIES B-2 BONDS ON OR PRIOR TO THE PURCHASE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE PURCHASE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED BONDS, AND ANY UNDELIVERED BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTION, EXCEPT FOR THE PURPOSE OF PAYMENT OF THE PURCHASE PRICE THEREFOR.

(C) Notwithstanding the foregoing provisions, in the event any 2018 Series B-2 Bond as to which the owner thereof has exercised its option pursuant to subsection (A) above is remarketed to such owner pursuant to the Remarketing Agreement, such owner need not deliver such 2018 Series B-2 Bond to the Tender Agent as provided in subsection (A)(3) above, although such 2018 Series B-2 Bond shall be deemed to have been delivered to the Tender Agent, redelivered to such owner, and remarketed for purposes hereof.

(D) During an Index Rate Period, for so long as (as determined by the Trustee in its discretion) the Federal Home Loan Bank of New York is the Beneficial Owner of all of the 2018 Series B-2 Bonds, all notices of tender to the Corporation referred to in Section 802(A)(1) above shall be given as provided in the Letter Agreement dated April [ ], 2018 between the Corporation and the Federal Home Loan Bank of New York.

Section 803. Funds for Purchase; Delivery of Funds and Bonds. (A)(x) Except as provided in Section 803(G) below with respect to 2018 Series B-2 Bonds in an Index Rate Period to be purchased pursuant to Section 802 hereof, on the date 2018 Series B-2 Bonds are to be purchased pursuant to Section 801 or 802 hereof, such Bonds shall be purchased at the Purchase Price only from the funds listed below and, (i) in the case of funds described in clause (1) below, deposited in the Remarketing Proceeds Purchase Account, as established by the Tender Agent pursuant to the Tender Agent Agreement, or (ii) in the case of funds described in clause (2) below, held by the Trustee in trust for the tendering owners or the Liquidity Provider, as described more fully in Section 803(A)(y) below. Funds for the payment of the Purchase Price shall be derived from the following sources in the order of priority indicated, except in the case of a purchase as a result of a Change Date described in clause (iii) of the definition thereof and a purchase as a result of a Facility Change Date described in clause (ii) of the definition thereof.

(1) (a) the proceeds of the sale of the 2018 Series B-2 Bonds which have been remarketed by the Remarketing Agent (i) during any Weekly Rate Period, prior to 11:30 a.m., New York City time, on the date the 2018 Series B-2 Bonds are to be purchased, to any entity other than the Corporation, or (ii) during any Daily Rate Period, prior to 12:00 noon, New York City time, on the date the 2018 Series B-2 Bonds are to be purchased to any entity other than the Corporation, or (b) the proceeds of the sale of such 2018 Series B-2 Bonds which have been remarketed pursuant a Private Placement or Direct Sale Bond Purchase Agreement;

(2) moneys obtained by the Trustee under the Liquidity Facility, if any; and

(3) if so directed by the Corporation, any moneys held by the Trustee under the General Resolution and the Supplemental Resolution and available for such purpose.

Funds for the payment of the Purchase Price in the case of a mandatory tender for purchase as a result of a Change Date described in clause (iii) of the definition thereof and as a result of a Facility Change Date described in clause (ii) of the definition thereof shall be derived only from moneys obtained by the Trustee under the Liquidity Facility.

(y) In the event the Trustee obtains moneys under the Liquidity Facility, the Trustee shall hold such moneys in trust for the owners of the 2018 Series B-2 Bonds that have tendered 2018 Series B-2 Bonds and transfer said moneys to the Tender Agent for payment to said owners to the extent moneys are insufficient to pay the Purchase Price thereto pursuant to Section 803(A)(x)(1) above; provided, that as and to the extent such moneys are not needed to pay the owners of tendered 2018 Series B-2 Bonds, said moneys will be returned promptly to the Liquidity Provider. The moneys drawn under the Liquidity Facility as described in the immediately preceding sentence shall not be co-mingled with any other funds or accounts of the Trustee or the Tender Agent, shall not be invested by the Trustee and, in the event that any or all of such funds are not used to purchase 2018 Series B-2 Bonds, shall be immediately returned by the Trustee to the Liquidity Provider except to the extent such funds are to be held as payment of the Purchase Price of Undelivered Bonds. After payment of the Purchase Price of all such tendered 2018 Series B-2 Bonds, and to the extent that 2018 Series B-2 Bonds are purchased with moneys described in clause (2) above, the Trustee shall apply any moneys described in clause (3) above to reimburse the Liquidity Provider for the payments under the Liquidity Facility in connection with such purchase; provided that, upon reimbursement of the Liquidity Provider in full for all amounts obtained under the Liquidity Facility to purchase any 2018 Series B-2 Bond, as set forth above in this paragraph (other than from the proceeds of the remarketing of the 2018 Series B-2 Bonds described in clause (1) above), such 2018 Series B-2 Bond shall be deemed paid and shall be delivered to the Trustee for cancellation.

(B) 2018 Series B-2 Bonds purchased in accordance with the provisions of Section 803(A) above shall be delivered as follows:

(1) 2018 Series B-2 Bonds purchased with moneys described in Section 803(A)(x)(1) above shall be made available to or upon the order of the purchasers thereof; and

(2) 2018 Series B-2 Bonds purchased with moneys described in Section 803(A)(x)(2) above shall be made available by the Tender Agent to or upon the order of the Liquidity Provider.

(C) The Tender Agent shall make available to the person to whom the Tender Agent is to deliver any 2018 Series B-2 Bonds pursuant to Section 803(A) above the due-bill check, if any, delivered to the Tender Agent.

(D) Bonds delivered as provided in Section 803(A) above shall be registered in the manner directed by the recipient thereof.

(E) The Trustee and Tender Agent shall have the following duties with respect to the purchase of 2018 Series B-2 Bonds pursuant to Section 803(A) above, in addition to the duties described elsewhere in the Supplemental Resolution:

(1) The Tender Agent shall hold all 2018 Series B-2 Bonds delivered to it pursuant to Section 801 or 802 hereof in trust for the benefit of the respective owners of such 2018 Series B-2 Bonds which shall have so delivered such 2018 Series B-2 Bonds until moneys representing the Purchase Price of such 2018 Series B-2 Bonds shall have been delivered to or for the account of or to the order of such owners of 2018 Series B-2 Bonds;

(2) The Trustee and the Tender Agent shall hold all moneys delivered to them pursuant to the Supplemental Resolution for the purchase of such 2018 Series B-2 Bonds in a separate account, in trust for the benefit of the person or entity which shall have so delivered such moneys, which moneys shall remain uninvested or, except for moneys provided under the Liquidity Facility, invested in Governmental Obligations maturing or being redeemable at the option of the holder thereof in not more than thirty (30) days or when needed;

(3) The Tender Agent shall establish the Remarketing Proceeds Purchase Account pursuant to the Tender Agent Agreement and shall comply with the obligations of the Tender Agent set forth in the Tender Agent Agreement;

(4) The Trustee shall deliver all moneys delivered to it pursuant to the Supplemental Resolution for the purchase of such 2018 Series B-2 Bonds to the Tender Agent to be deposited in the Remarketing Proceeds Purchase Account established pursuant to the Tender Agent Agreement; provided, however, that until delivery of such moneys to the Tender Agent, the Trustee shall hold all such moneys in trust for the benefit of the person or entity which shall have so delivered such moneys and, provided further, however, that all moneys derived from the Liquidity Facility shall be handled as provided in Section 803(A)(y) above;

(5) The Tender Agent shall deliver to the Trustee, the Corporation and the Liquidity Provider, if any, a copy of each notice delivered to it in accordance with Section 801 or 802 hereof and, not later than (i) during any Weekly Rate Period, 11:15 a.m., New York City time, on the date such 2018 Series B-2 Bonds are to be purchased, or (ii) during any Daily Rate Period, 10:15 a.m., New York City time, on the date such 2018 Series B-2 Bonds are to be purchased, shall give notice by telecopy or other similar electronic means of communication, or by telephone promptly followed by written notice mailed by first-class mail, postage prepaid, to the Corporation, the Trustee and the Liquidity Provider, if any, specifying the principal amount of the 2018 Series B-2 Bonds to be purchased, and the amount of the proceeds of the sale of such 2018 Series B-2 Bonds as described in Section 803(A)(x)(1) hereof and held by the Tender Agent; and

(6) The Trustee shall obtain moneys under the Liquidity Facility, if any, in accordance with the terms thereof in an amount equal to the difference between the Purchase Price of such 2018 Series B-2 Bonds to be purchased and the amount of the proceeds of the sale of the 2018 Series B-2 Bonds as described in Section 803(A)(x)(1) above and as specified by the Tender Agent pursuant to the immediately preceding paragraph, and shall promptly transmit said moneys to the Tender Agent to provide for timely payment of the Purchase Price of such 2018 Series B-2 Bonds.

(F) Neither the Corporation nor the owner of any Bond then Outstanding under the General Resolution other than the owner tendering its 2018 Series B-2 Bonds shall have any right, title or interest in any moneys to be held by the Trustee or the Tender Agent for the purchase of such 2018 Series B-2 Bonds.

(G)(i) On the date 2018 Series B-2 Bonds are to be purchased by the Corporation pursuant to Section 802 hereof, such 2018 Series B-2 Bonds shall be purchased, at the Purchase Price, at the option of the Corporation:

(1) in full on such date from moneys held by the Corporation and available for such purpose; or

(2) in twenty (20) quarterly installments, payable on each Reset Date and commencing on such date, from moneys held by the Corporation available for such purpose. If any such Reset Date is not a Business Day, the purchase date shall instead be the next succeeding Business Day.

(ii) If the Corporation purchases 2018 Series B-2 Bonds as described in clause (2) of Section 803(G)(i) above, from and after the date such 2018 Series B-2 Bonds are to be purchased by the Corporation pursuant to Section 802 hereof, such 2018 Series B-2 Bonds will bear interest at a rate equal to the greater of, subject to the Maximum Rate: (i) the applicable Designated Percentage, (ii) the Federal Funds Rate plus the applicable Designated Percentage and (iii) Prime Rate plus the applicable Designated Percentage, and shall be computed on the basis of a 360-day year for the actual number of days elapsed.

(iii) Notwithstanding anything to the contrary contained in the General Resolution or the Supplemental Resolution, if any 2018 Series B-2 Bonds are purchased at the Purchase Price in the manner set forth in clause (2) of Section 803(G)(i) above, (I) the payment of interest on such 2018 Series B-2 Bonds shall be treated for all purposes in the same manner (and with the same priority of payment) as interest on any other Bond (other than Subordinate Bonds) under the General Resolution, (II) the payment of principal equal to the amount of the scheduled Sinking Fund Payments payable on such date shall be treated for all purposes in the same manner (and with the same priority of payment) as principal on any other Bond (other than Subordinate Bonds) under the General Resolution, and (III) all regularly scheduled payments of principal of such 2018 Series B-2 Bonds in excess of the amount described in clause (II) above shall be subject and subordinate to payment of principal of all other Bonds under the General Resolution (but prior to any payments pursuant to Section 5.4(F)(iii) through Section 5.4(F)(vi) of the General Resolution and prior to any withdrawal of amounts free and clear of the lien of the General Resolution pursuant to said Section 5.4(F)), provided that payments of principal of such 2018 Series B-2 Bonds shall only be made if such payment is consistent with the most recent Cash Flow Statement on file with the Trustee (or a new or amended Cash Flow Statement that shall have been filed with the Trustee in connection with such payment). Failure to make the payments of principal of such 2018 Series B-2 Bonds described in clause (III) above shall not constitute an Event of Default under the General Resolution. Except as otherwise provided in this Section 803(G)(iii), such 2018 Series B-2 Bonds shall be entitled to the same benefits and protections of the General Resolution as other Bonds issued thereunder and the Trustee shall be obligated to pay principal on such 2018 Series B-2 Bonds when due.

(iv) There is hereby created and established with the Trustee a trust fund designated the "New York City Housing Development Corporation Multi-Family Housing Revenue Bonds, 2018 Series B-2 Tendered Bonds Account" (the "2018 Series B-2 Tendered Bonds Account"). The Trustee shall, upon written direction set forth in a Certificate of an Authorized Officer, transfer to the 2018 Series B-2 Tendered Bonds Account (I) amounts set forth in such Certificate and held in the Revenue Account after payment of principal and interest on any other Bond (other than Subordinate Bonds) under the General Resolution (but prior to any payments pursuant to Section 5.4(F)(iii) through Section 5.4(F)(vi) of the General Resolution and prior to any withdrawal of amounts free and clear of the lien of the General Resolution pursuant to said Section 5.4(F)) or (II) if the amounts obtained in clause (I) above are insufficient for the purposes set forth in Section 803(G)(iii) above, any other amounts available for such purpose under the General Resolution and the Supplemental Resolution. The Trustee shall have the exclusive right of withdrawal over the 2018 Series B-2 Tendered Bonds Account for the exclusive benefit of the persons or entities as shall tender 2018 Series B-2 Bonds. The 2018 Series B-2 Tendered Bonds Account shall be held uninvested. The Corporation shall not have any right, title or interest in such moneys.

(v) Any 2018 Series B-2 Bonds tendered pursuant to Section 802 hereof and purchased by the Corporation shall be forthwith cancelled by the Trustee and evidence of such cancellation shall be given to the Corporation.

(H) Notwithstanding anything to the contrary contained herein, the provisions of Sections 801, 802 and 803 hereof shall be subject to the provisions of Section 2.6(F) of the Supplemental Resolution.

Section 804. Additional Provisions Regarding Liquidity Provider and Bank Bonds. (A) Any 2018 Series B-2 Bonds for which the Purchase Price is funded with moneys provided under the Liquidity Facility and which are not remarketed shall become Bank Bonds. The Liquidity Facility shall not provide liquidity support for Bank Bonds or 2018 Series B-2 Bonds held by, or on behalf of, the Corporation.

(B) Bank Bonds may be cancelled at the direction of the Liquidity Provider. At such time as a Bank Bond is remarketed, the Trustee or the Tender Agent, as appropriate, shall (a) remit the proceeds from the remarketing to the Liquidity Provider, and (b) to the extent that the Liquidity Facility has been reinstated in accordance with its terms, give written notice to the Remarketing Agent and the Liquidity Provider that such Bond is no longer a Bank Bond.

(C) Notwithstanding anything to the contrary contained in the General Resolution or the Supplemental Resolution, in the event all 2018 Series B-2 Bonds become Bank Bonds, the interest rate on the 2018 Series B-2 Bonds shall be one hundred percent (100%) of The Securities Industry and Financial Markets Association Municipal Swap Index published in *The Bond Buyer* or otherwise made available to the Trustee.

(D) Notwithstanding anything to the contrary contained in the General Resolution or the Supplemental Resolution, (i) for so long as the Liquidity Facility shall be in effect, the first 2018 Series B-2 Bonds to be redeemed shall be Bank Bonds and (ii) no 2018 Series B-2 Bond shall be selected for redemption if the portion of such 2018 Series B-2 Bond remaining after such redemption would not be in a denomination authorized by the Supplemental Resolution.

(E) No amendment or supplement to the General Resolution or the Supplemental Resolution shall change or modify any of the rights or obligations of any Liquidity Provider without its prior written consent thereto.

(F) The Liquidity Provider shall be a third party beneficiary of the provisions of the Supplemental Resolution; provided, however, that notwithstanding anything contained in the Supplemental Resolution to the contrary, all rights of the Liquidity Provider under the Supplemental Resolution, including, but not limited to, all consent and approval rights hereunder and thereunder, shall cease, terminate and become null and void (a) if, and for so long as, there is a Wrongful Dishonor of the Liquidity Facility by the Liquidity Provider, or (b) if the Liquidity Facility is no longer in effect; provided, however, that notwithstanding any such Wrongful Dishonor, the Liquidity Provider shall be entitled to receive notices pursuant to the General Resolution and the Supplemental Resolution in accordance with the terms of the General Resolution and the Supplemental Resolution.

(G) Notwithstanding anything to the contrary contained in the General Resolution or the Supplemental Resolution, funds drawn under a Liquidity Facility shall not be invested by the Trustee and, in the event that any or all of such funds are not used to purchase

2018 Series B-2 Bonds, shall be immediately returned by the Trustee to the Liquidity Provider except to the extent such funds are to be held as payment of the Purchase Price of Undelivered Bonds.

(H) If the Liquidity Provider fails to purchase any 2018 Series B-2 Bonds tendered or deemed tendered for purchase by the owners thereof and not remarketed or if the Initial Liquidity Facility is terminated without an alternate Liquidity Facility in place, the 2018 Series B-2 Bonds will continue to bear interest at the Weekly Rate. Owners will continue to have the right to tender their 2018 Series B-2 Bonds during such period, but the Purchase Price of such 2018 Series B-2 Bonds will be payable solely from remarketing proceeds. If remarketing proceeds are not available, then owners may be required to hold such 2018 Series B-2 Bonds to their maturity or prior redemption.

(I) Notwithstanding anything to the contrary contained in the General Resolution or the Supplemental Resolution, the Corporation shall not be responsible for any failure by the Liquidity Provider to purchase 2018 Series B-2 Bonds tendered pursuant to Section 801 or 802 hereof or for the Remarketing Agent's failure to remarket the 2018 Series B-2 Bonds. Failure to purchase a 2018 Series B-2 Bond tendered pursuant to Section 801 or 802 hereof does not constitute an Event of Default hereunder or under the General Resolution. Notwithstanding the foregoing, and subject to the provisions of the General Resolution, the Corporation retains the right, but is not obligated, to purchase any 2018 Series B-2 Bonds, at such times, in such amounts and at such prices as the Corporation shall determine. Any 2018 Series B-2 Bond so purchased by the Corporation shall be forthwith cancelled by the Trustee and evidence of such cancellation shall be given to the Corporation.

## CHAPTER 9

### REMARKETING AGENT, TENDER AGENT AND TRUSTEE

#### Section 901. Appointment and Acceptance of Duties of Remarketing Agent.

(A) An Authorized Officer shall appoint the Remarketing Agent or Agents for each Series of 2018 Series B-2 Bonds, and each such Remarketing Agent shall signify its acceptance of such appointment and the duties and obligations of Remarketing Agent hereunder and under the applicable Remarketing Agreement by executing and delivering such Remarketing Agreement.

(B) A Remarketing Agent may be removed or may resign pursuant to the terms of the applicable Remarketing Agreement.

(C) In case at any time a Remarketing Agent shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of such Remarketing Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of such Remarketing Agent, or of its property or affairs, a successor Remarketing Agent shall be appointed in accordance with the terms of the applicable Remarketing Agreement. Any successor Remarketing Agent appointed in accordance with the provisions of this Section 901 in succession to a Remarketing Agent shall be either a member of the Financial Industry Regulatory Authority or a bank incorporated under the laws of the United States of America or any state of the United States of America, having a capitalization of at least \$15,000,000, whose unsecured debt, if any, has a rating equivalent to or higher than a "Baa-3" long term rating or a "P-3" short term rating issued by the rating agency then rating the applicable Series of 2018 Series B-2 Bonds, and authorized by law to perform all the duties imposed upon it by the applicable Remarketing Agreement and the Supplemental Resolution; provided, however, that no resignation or removal of such Remarketing Agent shall take effect until a successor Remarketing Agent has been appointed and such successor has assumed the duties and obligations of Remarketing Agent.

(D) In the event of the resignation or removal of a Remarketing Agent, such Remarketing Agent shall pay over, assign and deliver any moneys and 2018 Series B-2 Bonds of the applicable Series held by it in such capacity to its successor or, if there be no successor, to the Trustee.

Section 902. Appointment and Acceptance of Duties of Tender Agent. (A) The Tender Agent shall signify its acceptance of the duties and obligations of Tender Agent hereunder and under the applicable Tender Agent Agreement by executing and delivering the applicable Tender Agent Agreement.

(B) The Tender Agent may be removed or may resign pursuant to the terms of the applicable Tender Agent Agreement.

(C) In case at any time the Tender Agent shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Tender Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of the Tender Agent, or of its property or affairs, the



Corporation covenants and agrees that it will thereupon appoint a successor Tender Agent with the approval of the Liquidity Provider, if any, which approvals shall not be unreasonably withheld. The Tender Agent and any successor Tender Agent appointed under the provisions of this Section 902 in succession to a Tender Agent shall be a commercial bank, which shall be a Federal depository institution or a state chartered depository institution, with trust powers and authorized by law to perform all the duties imposed upon it by the Supplemental Resolution; provided, however, that no resignation or removal of the Tender Agent shall take effect until a successor Tender Agent has been appointed.

(D) In the event of the resignation or removal of the Tender Agent, the Tender Agent shall pay over, assign and deliver any moneys and 2018 Series B-2 Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee.

(E) In the event that the Corporation shall fail to appoint a successor Tender Agent hereunder, or in the event that the Tender Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Tender Agent shall be taken under the control of any state or Federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Corporation shall not have appointed its successor as Tender Agent, the Trustee, upon receipt of written notice from the Corporation shall ipso facto be deemed to be the Tender Agent for all purposes of the Supplemental Resolution until the appointment by the Corporation of a successor Tender Agent.

Section 903. Appointment and Acceptance of Duties of Trustee and Tender Agent with respect to Liquidity Facilities.

(A) The Trustee shall signify its acceptance of the duties and obligations of the Trustee under the applicable Liquidity Facility by executing and delivering to the Corporation a written instrument of acceptance.

(B) The Tender Agent shall signify its acceptance of the duties and obligations of the Tender Agent under the applicable Liquidity Facility by executing and delivering the applicable Tender Agent Agreement.

**APPENDIX B**

**FORM OF THE 2018 SERIES B-2 BONDS**

Subject to the provisions of the General Resolution, the 2018 Series B-2 Bonds shall be in substantially the following form, with necessary and appropriate variations, omissions and insertions as permitted by the General Resolution and the Supplemental Resolution:

(FORM OF REGISTERED BOND)

No. B-2-R-

CUSIP:

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION  
MULTI-FAMILY HOUSING REVENUE BOND, 2018 SERIES B-2

REGISTERED OWNER: Cede & Co.

MATURITY DATE:

PRINCIPAL AMOUNT:

INITIAL DATE:

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION (herein sometimes called the "Corporation"), a corporate governmental agency, constituting a public benefit corporation, created and existing under and pursuant to the laws of the State of New York (herein sometimes called the "State"), acknowledges itself indebted to, and for value received, hereby promises to pay, solely from the sources hereinafter provided, to the REGISTERED OWNER (as set forth above), upon presentation and surrender of this bond at the corporate trust office in the City of New York, New York of the Trustee hereinafter mentioned on the MATURITY DATE (unless redeemed prior thereto as hereinafter provided), the PRINCIPAL AMOUNT specified above, and to pay, solely from said sources, interest thereon from the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the INITIAL DATE specified above, until the earlier of the maturity or redemption of this bond, at the interest rate determined as provided in the hereinafter defined Resolutions, payable on February 1, May 1, August 1 and November 1 in each year, commencing [August 1], 2018. Both the principal of and the interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Payment of the interest on this bond on any interest payment date will be made to the person appearing on the bond registration books of the Corporation as the registered owner hereof as of the fifteenth (15th) day next preceding such interest payment date, such interest to be paid by check or draft mailed to the registered owner at such registered owner's address.

This bond is one of the bonds of a duly authorized issue of bonds in the aggregate principal amount of \$[\_\_\_\_\_], designated "Multi-Family Housing Revenue Bonds, 2018 Series B-2" (herein called the "2018 Series B-2 Bonds"), authorized to be issued under and pursuant to the "New York City Housing Development Corporation Act", Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of the State of New York, as amended) (the "Act") and a resolution of the Corporation adopted on July 27, 1993, as amended, and entitled: "Multi-Family Housing Revenue Bonds Bond Resolution" (herein called the "General Resolution") and a supplemental resolution of the Corporation adopted on

[\_\_\_\_\_], 2018 and entitled “Two Hundred Sixty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series B-2” (herein called the “Two Hundred Sixty-Third Supplemental Resolution”; the Two Hundred Sixty-Third Supplemental Resolution and the General Resolution being collectively herein called the “Resolutions”), for the purpose of providing the Corporation with moneys to purchase the Participant Interest (as defined in the Resolutions) and to finance other Corporation Corporate Purposes (as defined in the Resolutions). Upon the terms and conditions prescribed by the General Resolution, bonds in addition to the 2018 Series B-2 Bonds may be issued by the Corporation on a parity with or subordinate to the 2018 Series B-2 Bonds for the purposes described in the General Resolution. Any capitalized term used herein and not otherwise defined shall have the same meaning as set forth in the Resolutions, unless the context otherwise requires.

As provided in the Resolutions, the 2018 Series B-2 Bonds issued pursuant to the Resolutions may bear interest at different rates, mature at different times and, subject to the provisions thereof, may otherwise vary. All Bonds issued and to be issued under the General Resolution are and will be equally secured by the pledges and covenants made therein except as otherwise expressly provided or permitted in the General Resolution. Copies of the Resolutions are on file at the office of the Corporation, and at the principal corporate trust office of The Bank of New York Mellon, as trustee under the Resolutions (herein called the “Trustee”), each in the Borough of Manhattan, City and State of New York, and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2018 Series B-2 Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the registered owners of the 2018 Series B-2 Bonds with respect thereto and the terms and conditions upon which the Bonds have been issued and may be issued thereunder. Upon certain conditions contained in the Resolutions, the provisions thereof may be discharged and satisfied prior to the maturity of the 2018 Series B-2 Bonds. To the extent and in the manner permitted by the terms of the General Resolution, the provisions of the General Resolution or any resolution amendatory thereof or supplemental thereto may be modified or amended by the Corporation, with the written consent of the owners of at least two-thirds in principal amount of the Bonds then Outstanding, and in case less than all of the Bonds would be affected thereby, with such consent of the owners of at least two-thirds in principal amount of the Bonds so affected then Outstanding. If such modification or amendment will by its terms not take effect so long as any Bonds of any specified series and maturity remain Outstanding, however, the consent of the owners of such Bonds shall not be required. In addition, to the extent and in the manner permitted by the terms of the General Resolution, the supplemental resolution authorizing the issuance of the 2018 Series B-2 Bonds may, if no Bonds other than the 2018 Series B-2 Bonds are thereby affected, be modified or amended by the Corporation, with the written consent of the owners of at least two-thirds in principal amount of the 2018 Series B-2 Bonds then Outstanding. The owner of this 2018 Series B-2 Bond shall have no right to enforce the provisions of the Resolutions, to institute action to enforce the provisions of the Resolutions or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Resolutions. Upon the occurrence of certain events, on the conditions, in the manner and with the effect set forth in the General Resolution, the principal of all the Bonds issued thereunder and then Outstanding, together with interest accrued thereon, may become or may be declared due and payable before the maturity thereof.

This bond is transferable, as provided in the Resolutions, only upon the books of the Corporation kept for that purpose at the office of the Trustee by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered 2018 Series B-2 Bond or Bonds in the same aggregate principal amount and of the same maturity and interest rate, shall be issued to the transferee in exchange therefor as provided in the General Resolution and upon the payment of the charges, if any, therein prescribed. The Corporation and the Trustee for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if any, hereof and interest due hereon and for all other purposes whatsoever.

The 2018 Series B-2 Bonds maturing in any one year are issuable solely in fully registered form in the denomination of \$100,000 or any \$5,000 increment in excess of \$100,000. Subject to the conditions and upon the payment of the charges, if any, contained in the Resolutions, 2018 Series B-2 Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such owner's attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of 2018 Series B-2 Bonds, of any other authorized denominations, of the same maturity and interest rate.

This bond and the issue of which it forms a part are special revenue obligations of the Corporation payable solely out of the revenues and assets pledged therefor pursuant to the General Resolution. There are pledged to the payment of the principal or Redemption Price, if any, hereof and interest hereon in accordance with the provisions of the General Resolution, (i) the Revenues and (ii) all moneys and securities held in any Account established by the General Resolution, subject only to the provisions of the General Resolution permitting the use and application thereof for the purposes and on the conditions set forth in the General Resolution. Such pledge and other obligations of the Corporation may be discharged, wholly or in part, at or prior to the maturity of the Bonds upon the making of provision for the payment of the principal thereof and the interest thereon on the terms and conditions set forth in the General Resolution.

The 2018 Series B-2 Bonds shall be subject to redemption, including redemption at par, on the terms and conditions set forth in the Resolutions.

Neither the members of the Corporation nor any other person executing the 2018 Series B-2 Bonds shall be subject to any personal liability or accountability by reason of the issuance thereof.

The 2018 Series B-2 Bonds shall not be a debt of either the State of New York or The City of New York and neither the State nor the City shall be liable thereon, nor shall the 2018 Series B-2 Bonds be payable out of any funds other than those of the Corporation pledged therefor.

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of New York and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 2018 Series B-2 Bonds, together with all other indebtedness of the Corporation, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the NEW YORK CITY HOUSING DEVELOPMENT CORPORATION has caused this bond to be executed in its name by the manual or facsimile signature of an Authorized Officer and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of this \_\_\_ day of \_\_\_\_\_.

NEW YORK CITY HOUSING  
DEVELOPMENT CORPORATION

By \_\_\_\_\_  
Authorized Officer

(SEAL)

Attest:

\_\_\_\_\_  
Secretary or Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This bond is one of the 2018 Series B-2 Bonds described in the within-mentioned Resolutions.

THE BANK OF NEW YORK MELLON,  
as Trustee

By \_\_\_\_\_  
Authorized Signature

Date of Authentication:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers  
unto

Please Insert Social Security  
or other Identifying Number of  
Assignee  
(For computer record only)

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Please Print or Typewrite Name and Address of Transferee

the within Bond, and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ Attorney to transfer the within Bond on the books  
kept for the registration thereof, with full power of substitution in the premises.

Dated:

NOTICE: The signature to this assignment must correspond with the name as it appears on the  
face of the within Bond in every particular, without alteration or enlargement or any change  
whatever.

Signature Guaranteed:

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NOTICE: Signature(s) must be guaranteed by a registered broker-dealer or a commercial bank  
or trust company.