

DISCLAIMER: The attached document is the Bond Loan Agreement form for the CDFI Bond Guarantee Program. This is the document that the Qualified Issuer will enter into with each Eligible CDFI that receives a Bond Loan through the CDFI Bond Guarantee Program. This form document is provided for illustrative purposes only and should not be revised or relied on for any other purpose and is subject to further modification by the CDFI Fund. The exact terms and conditions of each specific Bond Loan will be set forth in the Bond Loan Agreement that is executed by the Qualified Issuer and each Eligible CDFI.

CDFI BOND GUARANTEE PROGRAM

BOND LOAN AGREEMENT

As Between

[ELIGIBLE CDFI],

as Borrower

and

[QUALIFIED ISSUER],

as Lender

Dated as of _____, 20__

All of the rights, title and interest of [QUALIFIED ISSUER] (except for its Reserved Rights) in and to this Bond Loan Agreement are being assigned to _____, as Master Servicer/Trustee, as security for the herein-referenced Bonds pursuant to a certain Bond Trust Indenture dated as of _____, 20__, as supplemented by that certain _____ Supplemental Indenture dated as of _____, 20__.

BOND LOAN AGREEMENT

THIS BOND LOAN AGREEMENT, dated as of _____, 20__, is made between [ELIGIBLE CDFI] (the “Borrower”), an Eligible CDFI, and [QUALIFIED ISSUER] (the “Lender”), as Qualified Issuer.

ARTICLE 1

DEFINITIONS

Section 1.1. Words and Phrases. The following terms, which are not defined elsewhere in this document, shall have the following meanings, *provided* that any terms not otherwise defined herein shall have the meanings ascribed thereto in the Regulations, the Agreement to Guarantee, and/or the Bond Trust Indenture:

“[YEAR-__] Bond Risk-Share Pool Requirement” means, in the case of each Advance, an amount equal to 3.0% of the amount of funds approved by the Lender for disbursement to pay Costs of an Eligible Purpose.

“Accounts Receivable” means any and all right to payment for services rendered or for goods sold or leased which is not evidenced by an instrument or chattel paper, whether or not it has been earned by performance.

“Act” means section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994 (Pub. L. 103-325, 108 Stat. 2160), as added by section 1134 of the Small Business Jobs Act of 2010 (Pub. L. No. 111-240, 124 Stat. 2504, 2515), codified at 12 U.S.C. § 4713a.

“Advance” shall have the meaning ascribed thereto in Section 2.1 hereof.

“Agency Administrative Fee” shall have the meaning ascribed thereto in Section 2.6(b) hereof and shall be a part of each Loan Deposit.

“Agreement” means this Bond Loan Agreement, as originally executed and as amended or supplemented from time to time.

“Agreement to Guarantee” means the written agreement, dated as of _____, 20__, between the Guarantor and the Qualified Issuer which sets forth the terms and conditions on which the Guarantor will provide the Guarantee.

“Approved Costs Amount” shall have the meaning ascribed thereto in Section 3.2(b) hereof.

“Approved Disbursement Amount” shall have the meaning ascribed thereto in Section 3.2(b) hereof.

“Approved Secondary Capital Distribution Plan” means the component of the Capital Distribution Plan that pertains to the making of Secondary Loans, demonstrates the Borrower’s comprehensive plan for lending, disbursing, servicing and monitoring Secondary Loans, includes

a description of how each proposed Secondary Loan will meet Eligible Purposes and such other the requirements as may be designated by the CDFI Fund, which such component of the Capital Distribution Plan has been approved by the Guarantor.

“Balloon Debt” means Long-Term Debt (i) twenty-five percent (25%) or more of the original principal amount of which matures within a period of twelve (12) consecutive months, which portion of such principal amount is not required by the documents governing such Debt to amortize prior to the commencement of such twelve (12) month period in amounts such that, following such amortization, the principal amount maturing during such twelve (12) month period will be less than twenty-five percent (25%) of such original principal amount, or (ii) any portion of the original principal amount of which (1) may be tendered for purchase or redemption prior to maturity at the option of the holder thereof (including any such Debt which is payable on demand within three hundred sixty-five (365) days from the date of incurrence), or (2) is required to be tendered for purchase or redemption prior to maturity thereof, other than a purchase or redemption required upon the future occurrence of a condition or event.

“Bankruptcy Related Event” means (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any of its debts, or of a substantial part of the assets of the Borrower, under any Insolvency Law, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower, or for a substantial part of the assets of the Borrower, and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or (b) the Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower, or for a substantial part of the assets of the Borrower, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, or (v) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any Insolvency Law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (vii) take any action for the purpose of effecting any of the foregoing.

“Bond” or “Bonds” means the \$_____ [QUALIFIED ISSUER] Eligible Purpose Funding Bonds, [YEAR-__] ([NAME OF ELIGIBLE CDFI]) a security, in the form of a draw-down bond or note issued by the Qualified Issuer, with each advance of funds thereunder bearing interest at an applicable Bond Rate established by the Bond Purchaser in accordance with Section 1808.300 of the Regulations, as may be amended, and sold to the Bond Purchaser, the proceeds of which will be used for Eligible Purposes, and which benefits from a Guarantee.

“Bond Counsel” means, _____, a law firm having a national reputation in the field of public finance law, whose opinions are generally accepted by bondholders, appointed by resolution of the Qualified Issuer with the approval of the CDFI Fund and the Master Servicer/Trustee.

“Bond Trust Indenture” means the Bond Indenture dated as of _____, 20__, between the Lender and the Master Servicer/Trustee, as amended and supplemented.

“Bond Issuance Fees” means all items of expense, not to exceed one percent (1%) of the original principal amount of each Bond, incurred in connection with the authorization, sale and issuance of the Bond and shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, initial fees and charges of the Master Servicer/Trustee, legal fees and charges, professional consultants’ fees, fees and charges for execution, transportation and safekeeping of the Bonds, premiums, fees and charges for insurance of the Bond, costs and expenses of refunding the Bond and other costs, charges and fees, including those of the Qualified Issuer and its advisors, in connection with the foregoing. The “FFB Financing Option Fee” paid to the Federal Financing Bank for the right to prepay or refinance the Bonds and the commitment as to maximum Interest rate on the Bonds shall not be treated as a Bond Issuance Fees.

“Bond Loan Collateral” means the Secondary Loan Receivables and Credit Enhancements, as applicable, and any and all such Collateral as may be assigned to the Lender or the Trustee pursuant to any Collateral Assignment or any Principal Loss Collateral Provision.

“Borrower” means the Eligible CDFI designated in the first paragraph of this Agreement.

“Borrower Representative” means the _____ or any officer of the Borrower, or any other person designated in writing by the _____ to act as its authorized representative, for the purpose of taking all actions and making all certifications required to be taken and made by the Borrower Representative under the provisions of this Agreement.

“Capital Distribution Plan” means the component of the Guarantee Application that demonstrates the Qualified Issuer’s comprehensive plan for lending, disbursing, servicing, and monitoring each Bond Loan and that meets the requirements of Section 1808.401 of the Regulations, as amended, and such other requirements as may be designated in the applicable Notice of Guarantee Availability. The Capital Distribution Plan includes, among other components, a Statement of Proposed Sources and Uses of Funds, and shall include one or more Secondary Capital Distribution Plans.

“Certified CDFI” means a financing entity that has a primary mission of promoting community development and that has been certified by the CDFI Fund as meeting the eligibility requirements set forth in 12 C.F.R. § 1805.201, as amended.

“CDFI” means a Community Development Financial Institution, a financing entity that has a primary mission of promoting community development.

“CDFI Fund” means the Community Development Financial Institutions Fund, a wholly owned corporation within the U.S. Department of the Treasury, established under the Community Development Banking and Financial Institutions Act of 1994, 12 U.S.C. § 4701 et seq., as amended.

“Closing Date” means _____, 20__.

“Code” means the Internal Revenue Code of 1986, as amended and the regulations, rulings and proclamations promulgated or proposed thereunder from time to time.

“Collateral Assignment” means, individually or collectively as context may require, each assignment of Secondary Loan Collateral executed by the Borrower for the benefit of the Trustee in connection with the making of each Secondary Loan by the Borrower.

“Cost” or “Costs” means all costs, as determined by the Lender, properly allocated to or necessary in connection with an Eligible Purpose, including, but not limited to, as applicable:

- (A) The prefunding of not to exceed one monthly principal, interest or debt service installment payment related to the Bond;
- (B) the capitalization of Loan Loss Reserves in an amount that is up to five percent of the par amount of the Bond Loan, or such other amount that is determined by the CDFI Fund in its sole discretion;
- (C) any sums required to reimburse the Secondary Borrower, the Borrower or the Qualified Issuer for advances made by any of them for costs of services or materials incurred for work done by the Secondary Borrower in connection with the Eligible Purpose; and
- (D) Bond Issuance Fees.

“Current Assets” means cash and cash equivalent deposits, marketable securities, accrued interest receivable, funds permitted to be designated by the Board of the Borrower for any specific purpose and any other intangible assets of the Borrower ordinarily considered current assets under generally accepted accounting principles.

“Debt” means all obligations for payments of principal and interest with respect to money borrowed, incurred or assumed by the Borrower, including without limitation, all obligations issued hereunder, guaranties, purchase money mortgages, capitalized lease obligations, installment purchase contracts or other similar instruments in the nature of a borrowing by which the Borrower will be unconditionally obligated to pay.

“Debt Service Coverage Ratio” means, for any period of time, the ratio of the Net Income Available for Debt Service to Maximum Annual Debt Service on all Long-Term Debt of the Borrower.

“Eligible CDFI” means the Borrower.

“Eligible Community or Economic Development Purpose” or “Eligible Purpose” means the allowable uses of Bond Proceeds and Bond Loan proceeds, which includes: (i) financing or Refinancing for community or economic development purposes described in 12 U.S.C. § 4707(b) including, but not limited to, community or economic development purposes in Low-Income Areas or Underserved Rural Areas, as deemed eligible by the CDFI Fund in its sole discretion; (ii) Bond Issuance Fees in an amount not to exceed one percent (1%) of Bond Loan proceeds; and (iii) capitalization of loan loss reserves in an amount that is up to five percent (5%) of the par amount of the Bond Loan, or such other amount that is determined by the CDFI Fund

in its sole discretion. The making of Secondary Loans by the Eligible CDFI shall also constitute an Eligible Purpose. “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Plan” means any employee benefit plan subject to the provisions of ERISA.

“Event of Default” means any event of default specified in Section 7.1 hereof.

“First Payment Date” means the First Principal Payment Date set forth on the first page of the Bond form.

“Fiscal Year” means the fiscal year of the Borrower ending _____, or any other fiscal year designated from time to time in writing by the Borrower to the Lender and the Master Servicer/Trustee.

“Guarantee” means the guarantee issued by the Guarantor pursuant to the Act.

“Guarantor” means the Secretary or the Secretary’s designee.

“Initial Advance” means the first Advance made under the Loan.

“Insolvency Laws” means the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership or similar law now or hereafter in effect.

“Lender” means the Qualified Issuer.

“Lien” means any mortgage, pledge, security interest, lien, judgment lien, easement, or other encumbrance on title, including, but not limited to, any mortgage or pledge of, security interest in or lien or encumbrance on any Bond Loan Collateral of the Borrower which secures any Debt or any other obligation of the Borrower, or which secures any obligation of any person other than an obligation to the Borrower.

“Loan” or “Bond Loan” means the loan made to the Borrower by the Lender pursuant to Section 2.1 hereof.

“Loan Deposit Dates” means the first Business Day of each calendar month during which the Loan is outstanding commencing seven (7) months before the First Payment Date.

“Loan Deposits” means the deposits required to be paid by the Borrower to the Master Servicer/Trustee on the Loan Deposit Dates in the amounts determined in accordance with Section 2.6 hereof. The Loan Deposits shall not be less than the amounts necessary to ensure that there are sufficient monies on deposit in the [ELIGIBLE CDFI] Debt Service Account ([YEAR-__]) at least thirty (30) days prior to a Payment Date on the Bonds to enable the Master Servicer/Trustee to make the payment due on such Payment Date.

“Loan Documents” means this Agreement, the Note and any other agreement, document or instrument, made or executed pursuant to the Loan.

“Loan Fees” means, collectively, the Agency Administrative Fee, the Master Servicer/Trustee Fee and the Qualified Issuer Fee.

“Loan Payments” means the required payments of principal and interest due on the Loan which shall be equal to and due at the same time the corresponding principal and interest payments are due on the Bond. If there has been no default by the Borrower in paying the Loan Deposits to the Master Servicer/Trustee, the Loan Payments shall be deemed paid at the time the corresponding payments of principal and interest are paid on the Bond.

“Loan Payment Dates” means each Payment Date on the Bond, commencing on the First Payment Date.

“Long-Term Debt” means all Debt with a maturity of longer than one (1) year, including the following:

(i) Debt with respect to money borrowed for an original term, or renewable at the option of the Borrower for a period from the date originally incurred, longer than one (1) year;

(ii) Debt with respect to leases which are capitalized in accordance with generally accepted accounting principles having an original term, or renewable at the option of the lessee for a period from the date originally incurred, longer than one (1) year; and

(iii) Debt with respect to installment purchase contracts having an original term in excess of one (1) year.

“Management Consultant” means an independent consulting firm which is appointed by the Borrower for the purpose of passing on questions relating to the financial affairs, marketing, management or operations of the Borrower, has a favorable reputation for skill and experience in performing similar services in respect of entities of a comparable size and nature and is not unsatisfactory to the Master Servicer/Trustee or the Lender.

“Master Servicer/Trustee” means _____.

“Master Servicer/Trustee Fee” shall have the meaning ascribed thereto in Section 2.6(b) hereof.

“Maximum Annual Debt Service” means the highest Long-Term Debt Service Requirement on the Obligations or Debt in question for the then current or any future Fiscal Year over the remaining term of any such outstanding Debt.

“Net Income Available for Debt Service” means with respect to any period of calculation, the excess of total Revenues of the Borrower less total expenses and bad debt and other allowances and adjustments, adjusted as follows:

(i) minus amortization of deferred revenue from non-refundable advance fees, plus proceeds from advance fees and deposits, minus refunds of advance fees and deposits of the Borrower;

(ii) plus depreciation, amortization and interest on Long-Term Debt (including the current portion thereof); and

(iii) plus all federal, state, and local taxes assessed with respect to the income of the Borrower if and to the extent that such income shall not have been included in the determination of Revenues (but only to the extent such taxes do not exceed excluded income), all as determined in accordance with generally accepted accounting principles consistently applied and applied in the manner set forth in this Agreement; and

The adjustments made under (i), (ii) and (iii) above shall exclude: (a) all insurance proceeds payable as a result of casualty or other similar circumstances (other than the proceeds of casualty insurance but only to the extent that the loss resulting from the casualty is included in the total expense of the Borrower with respect to the period in question and the proceeds of business interruption insurance); (b) gains and losses from the sale of property, plant and equipment (other than capital assets sold in the ordinary course of business of the Borrower); (c) gains and losses attributable to refundings, advance refundings and other early extinguishment of Debt; (d) all other items classified as extraordinary by the Borrower's Accountant; and (e) unrealized gains and losses on investments.

"Note" shall have the meaning ascribed thereto in Section 2.2 hereof.

"Obligation" means any liability of the Borrower to the Lender or to the Guarantor for the payment of money, arising under any Loan Document (other than Loan Deposits and the principal of, and interest on, the Loan), including, but not limited to, the amounts that must be paid pursuant to Section 2.13 hereof to replenish the [ELIGIBLE CDFI] Risk Share Pool Account ([YEAR-__]).

"Operating Expenses" means those operating and maintenance expenses incurred in the normal course of the operations of the Borrower, and shall not include Replacement Expenses.

"Overdue Note Amount" shall have the meaning ascribed thereto in Section 2.4 hereof.

"Overdue Note Amount Late Charge" shall have the meaning ascribed thereto in Section 2.4 hereof.

"Overdue Note Amount Late Charge Rate" means (i) one and one-half (1.5) times the Short-Term Treasury Rate if applicable state law permits the Overdue Note Amount Late Charge to be applied to the entire Overdue Note Amount, and (ii) three (3) times the Short-Term Treasury Rate if applicable state law does not permit the Overdue Note Amount Late Charge to be applied to the portion (if any) of the Overdue Note Amount comprised of interest.

"Overdue Obligation Amount" shall have the meaning ascribed thereto in Section 2.4 hereof.

"Overdue Obligation Amount Late Charge" shall have the meaning ascribed thereto in Section 2.4 hereof.

"Overdue Obligation Amount Late Charge Rate" means one percent (1%) per annum in excess of the Bond Loan Rate in effect from time to time.

“Payment Date” means any “Principal Payment Date” or any “Interest Payment Date,” and includes the “First Payment Date” as such terms are defined in the Supplemental Indenture.

“Permitted Liens” means:

(a) any lien arising by reason of any good faith deposit with the Borrower in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);

(b) any lien arising by reason of any deposit with or giving of security to any governmental agency as a condition to the transaction of any business or the participation by the Borrower in any funds established to cover insurance risk or in connection with worker’s compensation, unemployment insurance, pension plans or other social security;

(c) any judgment lien against the Borrower that does not exceed the greater of \$1,000,000 or three percent (3%) of total unrestricted current fund revenues of the Borrower for the then most recent Fiscal Year, so long as such judgment is being contested in good faith or is fully bonded or covered by insurance and execution thereof is stayed;

(d) any right reserved to any municipality or other public authority by the terms of any franchise, grant, license or provision of law affecting any Property and any lien thereon for taxes, assessments or other municipal charges so long as such charges are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(e) mechanics’, materialmen’s and brokers’ liens in connection with any Property so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such liens is stayed);

(f) the Bond Indenture or this Agreement;

(g) any lien on property received by the Borrower through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), provided that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Borrower unless it would otherwise qualify as a Permitted Lien;

(h) such easements, rights-of-way, servitude, restrictions and other defects, liens and encumbrances as are determined not to impair the use of the Borrower’s facilities for their intended purposes or the value of such facilities, such determination to be made in a certificate of a Borrower Representative supported by an opinion of independent counsel or a report or opinion of an independent Management Consultant (unless the Lender shall waive the requirement of such supporting opinion or report); and

(i) liens incurred or assumed primarily for the acquisition or use of other personal property and equipment (including equipment which is not treated as personal property under applicable state law) under the terms of installment purchase contracts, loans secured by purchase money mortgages or security interests in the financed property, lease purchase agreements or capital leases of the financed property.

“Principal Loss Collateral Provision” means a cash or cash equivalent guarantee or facility provided in lieu of (or in addition to) pledged collateral sufficient to secure the Eligible CDFI’s obligations under the Bond Loan after exercising other remedies for default. “Program Financing Agreement” means the agreement dated as of _____, 20__ among the Federal Financing Bank, the Guarantor, and the CDFI Fund.

“Properties” or “Property” shall mean any and all rights, title and interests in and to any and all of the Borrower’s property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or acquired after the effective date of this Agreement. The term “Properties” or “Property”, without intending to limit the generality of the foregoing, as of any particular time, shall include the Secondary Loan Receivables, all buildings, structures, fixtures, furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in moveable and immovable property owned, leased, subleased or otherwise acquired by the Borrower and used or useful in connection with or incident to such facilities, or used or useful by the Borrower in connection with or incident to its operation.

“Qualified Issuer” means the Lender, **[QUALIFIED ISSUER]**, a _____ organized under the laws of _____.

“Qualified Issuer Fee” shall have the meaning ascribed thereto in Section 2.6(b) hereof and shall be part of each Loan Deposit.

“Reimbursement Note” means the note executed and delivered by each Eligible CDFI to the United States of America, to evidence the Eligible CDFI’s obligation to reimburse the Guarantor for any payments made by the Guarantor pursuant to a Guarantee.

“Requisitioned Amount” shall have the meaning ascribed thereto in Section 3.2(b) hereof.

“Revenues” means all receipts, revenues, income and other money received by the Borrower from any source and all rights to receive the same (including, without limitation, all rights of the Borrower to receive operating revenues and non-operating revenues determined in accordance with generally accepted accounting principles), whether in the form of accounts, accounts receivable (including Secondary Loan Receivables), contract rights, chattel paper, instruments or other rights, and the proceeds thereof, whether cash or non-cash, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Borrower; provided, however, that, gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated at the time of making thereof by the donor or maker as being for certain specific purposes, and the income derived therefrom, to the extent required by such designation, shall be excluded from Bond Loan Collateral.

“Secondary Borrower” means an entity that has made application to the Eligible CDFI for a Secondary Loan, been deemed creditworthy by the Eligible CDFI, meets the criteria set forth in the applicable Secondary Loan Requirements to receive a Secondary Loan, and has received a Secondary Loan.

“Secondary Borrower Representative” means the _____ or any officer of the Secondary Borrower, or any other person designated in writing by the _____ to act as its authorized representative, for the purpose of taking all actions and making all certifications required to be taken and made by the Borrower Representative under the provisions of this Agreement.

“Secondary Capital Distribution Plan” means the component of the Capital Distribution Plan completed by the Borrower that pertains to the making of Secondary Loans, demonstrates the Eligible CDFI’s comprehensive plan for lending, disbursing, servicing and monitoring Secondary Loans, includes a description of how the proposed Secondary Loan will meet Eligible Purposes and meets such other the requirements as may be designated in the applicable Notice of Guarantee Availability.

“Secondary Loan” means the use of Bond Loan proceeds by the Borrower to finance a loan to a Secondary Borrower for Eligible Purposes, which meets the applicable Secondary Loan Requirements.

“Secondary Loan Documents” means the promissory note, loan agreement and any other documents executed by each Secondary Borrower in connection with the making of each Secondary Loan by the Borrower.

“Secondary Loan Receivables” means, collectively, payment receivables from the Secondary Loans.

“Secondary Loan Requirements” means the minimum required criteria established by the CDFI Fund and used by the Borrower (in addition to the Borrower’s underwriting criteria) to evaluate a request by a Secondary Borrower applicant for a Secondary Loan.

“Secretary” means the Secretary of the Treasury, or his designee.

“Short-Term Debt” means all Debt, other than Long-Term Debt (including Long-Term Debt in the form of Balloon Debt), including the following:

(i) Debt with respect to money borrowed payable on demand or for an original term, or renewable at the option of the borrower for a period from the date originally incurred, of one (1) year or less; and

(ii) Debt with respect to installment purchase contracts having an original term of one (1) year or less (other than contracts entered into in the ordinary course of business).

“Short-Term Treasury Rate” means the rate to be determined by the Secretary of the Treasury taking into consideration the prevailing market yield on the remaining maturity of the most recently auctioned thirteen (13) week United States Treasury bills.

“State” means _____.

“Supplemental Indenture” means the [NUMBER] Supplemental Indenture dated as of _____, 20__, between the Lender and the Master Servicer/Trustee, authorizing the issuance of the Bond to obtain funds for making the Loan hereunder.

“Trust Estate” means (a) the rights, title and interest of the Lender under this Agreement, (b) all of the Lender’s rights, whether currently existing or hereafter acquired, to enforce any loan or loans of proceeds of the Bonds made by the Lender to the Borrower pursuant to the terms of this Agreement, (c) all Bond Loan Collateral to be received from the Borrower; but not including funds received by the Lender for its own use, whether as administrative fees, reimbursement or indemnification, and the rights thereto and any other collateral or rights comprising the Trust Estate for the Bond as set forth in the Granting Clauses of the Bond Indenture or the Supplemental Indenture.

Section 1.2. Headings; Table of Contents.

The various headings used in this Agreement and the Table of Contents are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

ARTICLE 2

AMOUNT AND TERMS OF LOAN - SECURITY

Section 2.1. Loan Commitment. Subject to the terms and conditions of this Agreement and in reliance on the representations and warranties of the Borrower set forth herein, the Lender agrees to make to the Borrower, and the Borrower agrees to borrow from the Lender, a loan in the aggregate principal amount of \$_____ for the purpose of financing Eligible Purposes. Loan funds will be advanced to the Borrower (each such advance of funds being an “Advance”) as provided in Article 3 hereof.

Section 2.2. The Note. The Borrower will execute and deliver to the Lender a Promissory Note in the principal amount of \$_____ (the “Note”). The Loan will be evidenced by the Note dated the date of the Loan, with interest on each Advance being determined as provided in Section 2.3 hereof and payable on the dates provided in Sections 2.3 and 2.4 hereof, providing for payments of principal on the dates and in the amounts provided in Section 2.5 hereof, and stated to mature on _____, 20__.

Section 2.3. Interest. Interest on the Note will be equal to, and payable at the same time as, interest is due on the [YEAR-__] Bond. Accordingly, interest on each Advance will accrue from the date on which the respective Advance is made to the date on which the principal amount of such Advance is due. Interest on each Advance will be computed on the basis of (a) actual days elapsed from (but not including) the date on which the respective Advance is made (for the first payment of interest due under the Note) or the date on which the payment of interest was last due (for all other payments of interest under such Note), to (and

including) the date on which payment is due, and (b) a year of three hundred sixty-five (365) days. The respective interest rate that will apply to each Advance will be established in accordance with the terms of the [YEAR-__] Bond under which such Advance is being made at the time such Advance is made. Interest accrued on the outstanding principal balance of each Advance will be payable on each Loan Payment Date, beginning on the first such Loan Payment Date to occur after the date on which the respective Advance is made, and on the day when the principal of the Loan becomes finally due (whether by acceleration, final maturity or otherwise).

Section 2.4. Late Payments.

In the event that any amounts of principal, interest or premium due and payable under the Note are not paid when and as due (any such amount being then an “Overdue Note Amount”), the amount payable shall be such Overdue Note Amount plus interest thereon to the extent permitted by applicable law (such interest being the “Overdue Note Amount Late Charge”) computed in accordance with this Section 2.4. The Overdue Note Amount Late Charge shall accrue from the scheduled date of payment for the Overdue Note Amount (or, if the scheduled date of payment is not a Business Day, then from the next Business Day) to the actual date on which payment is made. The Overdue Note Amount Late Charge shall be computed on the basis of (i) actual days elapsed from (but not including) the scheduled date of payment for such Overdue Note Amount (or, if the scheduled date of payment is not a Business Day, then from the next Business Day) to (and including) the date on which payment of the Overdue Note Amount and all Overdue Note Amount Late Charges accrued thereon is made, and (ii) a year of three hundred sixty-five (365) days. The Overdue Note Amount Late Charge shall accrue at the Overdue Note Amount Late Charge Rate. In the event that any amount due and payable on account of any Obligation is not paid when and as due (any such amount being then an “Overdue Obligation Amount”), then the amount payable shall be such Overdue Obligation Amount plus interest accrued thereon at the Bond Loan Payment Default Rate (such interest being the “Overdue Obligation Amount Late Charge”) computed on the basis of (i) actual days elapsed from (and including) the scheduled date of payment for such Obligation (or, if the scheduled date of payment is not a Business Day, then from the next Business Day) to (but not including) the day on which such payment of the Overdue Obligation Amount and all Overdue Obligation Amount Late Charges accrued thereon is made, and (ii) a three hundred sixty (360)-day year of twelve (12) thirty (30)-day months. The Overdue Obligation Amount Late Charge shall accrue at the Overdue Obligation Amount Late Charge Rate. Any interest on the Bond Loan in excess of the Bond Loan Rate shall be deposited into the applicable account of the Risk-Share Pool Fund. Nothing in this section shall be construed to authorize the collection of, or require the payment of, interest on overdue interest or compounded interest if the collection or payment of interest on overdue interest or compounded interest is not permitted by applicable law.

Section 2.5. Principal Payments. Subject to Section 2.6, the principal of the Loan will be due and payable in the amounts and on the dates that principal is due on the [YEAR-__] Bond.

Section 2.6. Loan Deposits.

(a) On each Loan Deposit Date, with respect to the ([YEAR-__]) Bond, the Borrower shall pay to the Master Servicer/Trustee for deposit to the [ELIGIBLE CDFI] Revenue Account ([YEAR-__]) an amount such that after the Master Servicer/Trustee distributes such monies in

accordance with Section 502 of the Bond Indenture and pays the Loan Fees, as described in subsection (b) below of this Section 2.6: (i) the amount on deposit in the [ELIGIBLE CDFI] Interest Subaccount ([YEAR-__]) is equal to the product of (A) the number of months since the last Interest Payment Date on the [YEAR-__] Bonds plus one (1) month, and (B) one-sixth (1/6th) the amount of interest payable on the [YEAR-__] Bonds on the next applicable Interest Payment Date, and (ii) the amount on deposit in the [ELIGIBLE CDFI] Principal Subaccount ([YEAR-__]) is equal to the product of (A) the number of months since the last Principal Payment Date on the [YEAR-__] Bonds plus one (1) month, and (B) one-sixth (1/6th) of the amount of principal payable on the [YEAR-__] Bonds on the next applicable Principal Payment Date, such that the aggregate amount of Loan Deposits which shall be due thirty (30) days in advance of such Payment Date, is not less than the amount of the interest and principal due on the Bonds on such Payment Date.

(b) On each Loan Deposit Date, the Borrower shall also pay to the Master Servicer/Trustee for deposit to the [ELIGIBLE CDFI] Revenue Account ([YEAR-__]) an amount (the “Agency Administrative Fee” which shall be included as part of the Loan Deposit) equal to the product of (i) 0.10 and (ii) the principal amount of the Loan outstanding on the day prior to such Loan Deposit Date; plus an amount (the “Master Servicer/Trustee Fee” which shall be included as part of the Loan Deposit) equal to _____; plus the (the “Qualified Issuer Fee” which shall be included as part of the loan deposit) equal to the sum of (a) _____ (the “Servicer Fee”) and (b) _____ (the “Program Administrator Fee”). As required by the Bond Trust Indenture, the Master Servicer/Trustee shall pay: (1) to the Lender the portion of each Loan Deposit comprising the Qualified Issuer Fee, (2) to the CDFI Fund the portion of each Loan Deposit comprising the Agency Administrative Fee and (3) to itself the portion of each Loan Deposit comprising the Master Servicer/Trustee Fee.

Section 2.7. Loan Payments, Loan Deposits and Other Obligations. All Loan Deposits and Loan Payments will be made in lawful money of the United States, in immediately available funds at the corporate trust office of the Master Servicer/Trustee or such other agent of the Lender (designated in writing by the Lender to the Borrower from time to time) by not later than 12:00 noon (in the time of the place of payment) on the applicable Loan Deposit Dates and Loan Payment Dates. If any such payment falls due on a Saturday, Sunday or other day banks are required or authorized to close at the place of payment, such payment will be due on the next succeeding business day at such place, and such extension of time will be included in the computation of interest. All other Obligations shall be payable in lawful money of the United States to the persons and at the times indicated herein. Loan Deposits and Loan Payments received by the Lender or Master Servicer/Trustee under any Loan Document (whether made by the Borrower, or otherwise) will be applied as provided in Section 502 of the Bond Indenture. Loan Payments shall be deemed paid at the time the corresponding payments of principal and interest are paid on the [YEAR-__] Bonds to the extent that such payments on such [YEAR-__] Bonds are attributable to Loan Deposits or investment earnings thereon.

Section 2.8. Absolute Obligation to Pay. The obligation of the Borrower to pay the principal of, and interest on, the Loan and to pay all of the Obligations shall be absolute and unconditional, shall be binding and, to the extent permitted by law, enforceable in all circumstances whatsoever and shall not be subject to set off, recoupment or counterclaim, and shall be a general recourse obligation of the Borrower to which the full faith and credit of the Borrower are pledged.

Section 2.9. Prepayment.

(a) The Borrower may prepay the Loan in whole or in part, at any time that the [YEAR-__] Bonds are optionally pre-payable pursuant to Section 6.1 of the Supplemental Indenture but subject to the conditions that:

- (i) the Borrower has given the Lender written notice of its intention to prepay the Loan, specifying the amount of the prepayment, the [YEAR-__] Bonds to which such prepayment relates and the date of prepayment, at least ten (10) Business Days prior to the date of prepayment;
- (ii) any prepayment must be in an amount of at least \$100,000; and
- (iii) the Borrower pays to the Lender on the date of prepayment an amount equal to any premium, if any, required to be paid on the [YEAR-__] Bonds that are called as a result of such prepayment as well as any expenses due under any Loan Document.

The Borrower will be obligated to prepay the Loan in accordance with the terms and conditions of this Section 2.9(a) if it gives a prepayment notice as provided above, unless the Borrower delivers a written notice rescinding its prepayment notice before 3:30 p.m. (Washington, D.C. time) three (3) Business Days before the date of prepayment, and the Lender thereupon rescinds its prepayment notice (with respect to the Bonds that the Lender issued to fund the Loan to the Borrower) before 3:30 p.m. (Washington, D.C. time) two (2) Business Days before the date of prepayment. All amounts prepaid and allocable to principal will be applied to the principal payments due on the Loan in the inverse order of maturity. If the Borrower prepays the Loan in full, all amounts outstanding under this Agreement or under any other Loan Document will be due and payable on the date of prepayment.

In the event Borrower shall give timely and proper notice rescinding its prepayment notice under this Section 2.9(a), Lender shall indemnify and hold Borrower harmless from and against any and all claims, demands, liabilities, expenses or costs of any kind, incurred as a result of Lender's failure to properly rescind its prepayment notice.

(b) The Borrower shall prepay the Loan in whole or in part, at any time that the [YEAR-__] Bonds are mandatorily pre-payable pursuant to Section 6.1 of the Supplemental Indenture and subject to any conditions set forth in the Bond Indenture and the Supplemental Indenture.

Section 2.10. Use of Proceeds of Loan Prepayment. The Lender and Borrower agree that the proceeds received by the Lender as a result of a prepayment of the Loan pursuant to Section 2.9 above shall be used to call the [YEAR-__] Bonds pursuant to Section 6.1 of the Supplemental Indenture and Article VI of the Bond Indenture.

Section 2.11. Usury. Notwithstanding anything to the contrary contained in this Agreement, all rates of interest chargeable pursuant to this Agreement will not exceed the maximum rate of interest permitted by applicable law.

Section 2.12. Punctual Payment. The Borrower agrees to pay Loan Deposits and Loan Payments to the Lender on the applicable Loan Deposit Dates and Loan Payment Dates and to pay any other amounts payable hereunder, or under any Loan Document, punctually on the date and at the times and to the persons agreed to hereunder or under any Loan Document.

Section 2.13. Use of Loan Proceeds. The Borrower agrees to use the proceeds of the Loan solely to pay Costs of an Eligible Purpose, including Bond Issuance Fees, and to deposit amounts equal to the [YEAR-__] Bond Risk-Share Pool Requirement into the [ELIGIBLE CDFI] Risk Share Pool Account ([YEAR-__]) as provided in Section 2.14 hereof.

Section 2.14. Risk-Share Pool Fund. The Borrower hereby acknowledges and agrees that, in connection with each disbursement of funds that is made or caused to be made under the Loan to pay Costs of an Eligible Purpose, an amount of funds equal to the applicable [YEAR-__] Bond Risk-Share Pool Requirement will be deposited by the Borrower or caused to be deposited by the Borrower with the trustee, from moneys other than proceeds of the Series, for deposit into the [ELIGIBLE CDFI] Risk Share Pool Account (YEAR-__). Monies in the [ELIGIBLE CDFI] Risk Share Pool Account ([YEAR-__]) and in the other accounts and subaccounts established under other supplemental indentures of the related Bond Issue will be applied as provided in the Bond Indenture. If, as a result of a payment default under this Agreement, a deficiency occurs in the [ELIGIBLE CDFI] Debt Service Account (YEAR-__) causing a draw on the Risk-Share Pool Fund, the Borrower will replenish the Risk-Share Pool Fund on or before the next Loan Deposit Date. Amounts on deposit in the [ELIGIBLE CDFI] Risk Share Pool Account ([YEAR-__]) will be examined by the Master Servicer/Trustee at least once during each twelve (12) month period and the Master Servicer/Trustee shall report the balance to the Borrower and the Lender not later than fifteen (15) Business Days following such examination date. Following the payment in full of all amounts owed by each borrower in the related Bond Issue on account of each bond loan in such Bond Issue and all other amounts owed by the Borrower under any Loan Document have been satisfied in full and the Guarantee has been terminated, the balance of the [ELIGIBLE CDFI] Risk Share Pool Account (YEAR-__) will be promptly returned to the Borrower as provided in the Bond Indenture.

Section 2.15. Federal Guarantee. If a default under this Agreement results in a draw on the Guarantee, the Borrower shall repay such amount to the Secretary on demand and as provided in the Reimbursement Note executed and delivered by the Eligible CDFI to the United States of America, to evidence the Eligible CDFI's obligation to reimburse the Guarantor for payment made by the Guarantor pursuant to the Guarantee. Any such payment by the Borrower to the Secretary shall constitute a credit against amounts due and unpaid under this Loan Agreement and such credit shall be applied in the same priority set forth in Section 2.7 hereof.

Section 2.16. Security Interest in Bond Loan Collateral of the Borrower.

As security for the obligation of the Borrower to make all payments due, and to perform all obligations, under this Agreement, the Note and any other Loan Documents, and for the benefit and security of all Bonds issued on behalf of the Borrower under the Bond Indenture, the

Borrower grants to the Lender a first lien on and security interest in the Bond Loan Collateral and any rights to receive such Bond Loan Collateral, subject only to Permitted Liens. The Borrower represents and warrants that the lien granted hereby with respect to the Bond Loan Collateral is and at all times will be a first lien.

If any Bond Loan Collateral becomes non-performing during the term of the Bond Loan, the Guarantor may require the Borrower to substitute other performing collateral that is of equal quality to the initial Bond Loan Collateral, acceptable to the Guarantor in its sole discretion. Upon substitution, and for so long as such substitute collateral shall be pledged pursuant hereto, any such substitute collateral shall constitute Bond Loan Collateral under this Agreement and under any other Bond Loan Document. The Borrower hereby covenants to do any and all things necessary or required in order to create and perfect the security interest hereunder with respect to any substitute collateral.

Section 2.17. Principal Loss Collateral Provision. If a Principal Loss Collateral Provision is provided in lieu of (or in addition to) pledged collateral, it must be sufficient (together with any pledged collateral) to secure the Eligible CDFI's obligations under the Bond Loan after exercising other remedies for default. A Principal Loss Collateral Provision may include a deficiency guarantee whereby another entity assumes liability after other default remedies have been exercised and should cover the deficiency incurred by the Federal Government. The Principal Loss Collateral Provision shall at a minimum provide for the provision of cash or cash equivalents in an amount that is not less than the difference between the value of the collateral and the amount of the accelerated Bond Loan outstanding.

Section 2.18. Assignment and Pledge of the Lender. The Lender assigns and pledges to the Master Servicer/Trustee, without recourse, in trust upon the terms hereof and grants to the Master Servicer/Trustee a continuing security interest in the Trust Estate. The Borrower joins in the pledge of and grant of a security interest in, such portion of the Trust Estate comprising the Bond Loan Collateral to the extent of its interest therein.

Section 2.19. Further Assurances. The Lender, Borrower and Master Servicer/Trustee shall cause a financing statement or memorandum relating to this Agreement to be filed, registered and recorded in such manner and at such places as may be required by law to perfect fully the security interest created thereby. Concurrently with the execution and delivery hereof and thereafter from time to time, as reasonably requested by the Lender or the Master Servicer/Trustee, the Borrower shall obtain at its own expense or, at the written request and expense of the Borrower, the Lender or the Master Servicer/Trustee shall obtain, an opinion of counsel and furnish a signed copy thereof to the Lender and the Master Servicer/Trustee, setting forth what, if any, actions by the Borrower, Lender or the Master Servicer/Trustee should be taken to preserve the security interest granted herein. The Borrower shall perform or shall cause to be performed any such acts, and execute and cause to be executed any and all further instruments as may be required by law or as shall reasonably be requested by the Lender or the Master Servicer/Trustee for such protection of such security interests.

**ARTICLE 3
ADVANCES UNDER THE LOAN**

Section 3.1. Conditions Precedent to Making the Initial Advance under the Loan. In addition to the conditions specified in Section 3.2 hereof as being conditions precedent to making every Advance under the Loan, the obligation of the Lender to make the Initial Advance under the Loan is subject to the satisfaction of the following conditions precedent:

(a) The applicable selection criteria pursuant to Section 2.1 of the Agreement to Guarantee and conditions precedent pursuant to Section 2.2 of the Agreement to Guarantee shall have been satisfied.

(b) The Lender has received the following, in form and substance satisfactory to the Lender:

- (1) The Note duly executed by the Borrower substantially in the form of the attached Exhibit A and dated the Closing Date.
- (2) UCC Financing Statements which, when filed, will secure the Lender's interest in the Bond Loan Collateral.
- (3) The favorable written opinion of legal counsel to the Borrower substantially in the form of the attached Exhibit B and dated the Closing Date.
- (4) Financial Statements of the Borrower for the prior five (5) years certified by a firm of independent certified public accountants and pro forma statements for the subsequent five (5) years.
- (5) The Borrower's organizational documents.
- (6) Certificates of each of the Borrower and the Lender regarding lobbying required to be filed by recipients of federal loans and/or federal guarantees or insurance under 31 C.F.R. Part 21.
- (7) Certificates of each of the Borrower and the Lender that no default, event of default, or due and unsatisfied liability has occurred and is continuing with respect to any obligations of the Lender and the Borrower, respectively, to the CDFI Fund, the Guarantor, the Bond Purchaser, the U.S. Internal Revenue Service, or any other agency, authority or instrumentality of the Federal Government.
- (8) This Agreement duly executed by the Borrower.
- (9) Proof of insurance, as required by Section 5.5 hereof.

- (10) Such other documents and certificates as the Lender, the Guarantor, the Bond Purchaser or Bond Counsel shall require.

(c) No event has occurred and is continuing, or would occur by the borrowing of the Loan or the execution, filing or recordation of any of the Loan Documents, which constitutes an Event of Default or which, upon the giving of notice, the lapse of time, or both, would constitute an Event of Default.

(d) Any Loan Document deemed necessary by the Lender to be executed, recorded or filed to create or perfect the liens and security interests intended to be created for the benefit of the Lender pursuant to the Loan Documents has been delivered to Lender in recordable form or filed; and all taxes and other charges in connection with the execution of any of the Loan Documents or the recording or filing thereof have been duly paid in full by the Borrower.

Section 3.2. Conditions Precedent to All Advances. The obligation of the Lender to make any Advance under the Loan is subject to the satisfaction of the following conditions precedent as applicable to each such Advance:

(a) The Lender has received the following documents, in form and substance satisfactory to the Lender:

- (1) a requisition for payment (substantially in the form of the requisition attached hereto as Exhibit C), signed by a Borrower Representative and identifying the Secondary Loans to which the requisition pertains and stating the following:
- (A) the total amount of funds that the Borrower is requisitioning at that time under this Agreement and to whom the funds requested therein are to be paid;
 - (B) the amount of funds that the Borrower is requisitioning at that time for Bond Issuance Fees;
 - (C) that the total of the amount requisitioned for Bond Issuance Fees and all amounts requisitioned previously for Bond Issuance Fees does not exceed one percent (1%) of the aggregate principal amount of the Bond;
 - (D) the total amount of the requisition qualifies as Costs; and
 - (E) all amounts previously requisitioned have actually been applied to finance or refinance Costs;

and certifying that:

- (F) the Borrower's credit committee, or its equivalent, has approved each Secondary Loan applicable to such requisition in accordance with the applicable Secondary

Loan Requirements and the Borrower's underwriting procedures;

- (G) the Borrower has reviewed the Secondary Borrower's requisition and accompanying certificates and determined that such documents are in order;
 - (H) the Borrower has determined that the Secondary Borrower has incurred costs that are "Costs of the Eligible Purpose" under the Act and the Agreement to Guarantee eligible for payment from the proceeds of an advance made under the Bonds;
 - (I) the amount of Costs of the Eligible Purpose that the Secondary Borrower has incurred and not paid from the proceeds of an advance of funds previously made is at least equal to the Approved Costs Amount specified by the Lender in its request for an advance
- (2) a requisition for payment (substantially in the form of the requisition attached hereto as Exhibit C), signed by each applicable Secondary Borrower Representative and identifying the Secondary Loans to which the requisition pertains and stating the following:
- (A) the total amount of funds that the Secondary Borrower is requisitioning at that time under the applicable Secondary Loan Agreement and to whom the funds requested therein are to be paid;
 - (B) the total amount of the requisition qualifies as Costs; and
 - (C) all amounts previously requisitioned have actually been applied to finance or refinance Costs;
- (3) upon request of the Lender, copies of invoices relating to and substantiating any requested Advance;
- (b) the Lender has delivered to the Master Servicer/Trustee a request for an Advance,
- (1) setting forth the following:
 - (A) the total amount of funds that the Borrower requisitioned for paying Costs (such amount being the "Requisitioned Amount");
 - (B) the portion of the Requisitioned Amount that the Lender approves as being "Costs of an Eligible Purpose" under the Act and the Agreement to Guarantee payable from the

proceeds of an Advance under the [YEAR-__] Bonds (such portion being the “Approved Costs Amount”);

- (C) the Approved Costs Amount that the Lender authorizes to be disbursed to pay Costs of an Eligible Purpose (such amount being the “Approved Disbursement Amount”);
- (D) the amount of the [YEAR-__] Bond Risk-Share Pool Requirement applicable to the Approved Disbursement Amount;
- (E) the date on which the requested Advance is requested to be made (which shall not be earlier than five (5) Business Days after the Borrower’s requisition is delivered to the Master Servicer/Trustee and the applicable Risk-Share Pool Requirement deposit has been provided for by the Borrower); and
- (F) the appropriate bank account to which funds constituting the requested Advance are to be disbursed; and

(2) certifying that:

- (A) the Lender has reviewed the Borrower’s requisition and accompanying certificates and determined that such documents are in order;
- (B) the Lender has determined that the Borrower has incurred costs that are “Costs of an Eligible Purpose” under the Act and the Agreement to Guarantee eligible for payment from the proceeds of an advance made under the Bonds;
- (C) the amount of Costs of an Eligible Purpose that the Borrower has incurred and not paid from the proceeds of an advance of funds previously made is at least equal to the Approved Costs Amount specified by the Lender in its request for an advance; and
- (D) the total of (a) the portion of Approved Costs Amount of the advance for Bond Issuance Fees and (b) the portions of all previous Approved Costs Amounts for Bond Issuance Fees does not exceed one percent (1%) of the aggregate principal amount of the Bond.

(c) The Master Servicer/Trustee has reviewed the foregoing documents and determined that such documents are in order, that the conditions precedent to making payments from or for the account of the [ELIGIBLE CDFI] Project Account ([YEAR-__]) have been satisfied, and that the requested advance is authorized to be made.

Section 3.3. Making Advances. Each Advance under the Loan shall be made from the proceeds of an advance of funds caused to be made under the Bonds that the Lender issued to fund a portion of the Loan, and each advance of funds that is made under the [YEAR-__] Bonds shall be deemed to be an Advance made under the Loan in an equal amount. Upon receipt of the documents required by Section 3.2 hereof to be delivered in connection with each request for Advance and, in the case of the Initial Advance, upon receipt of the documents required by Section 3.1 hereof to be delivered in connection with the request for the Initial Advance, the Lender will make, or cause to be made, the requested Advance as herein provided.

With respect to each requested Advance, the Lender shall, FIRST, receive notice from the Trustee that it has received from the Borrower an amount of funds other than proceeds of the Bonds equal to the Risk-Share Pool Requirement for the Approved Disbursement Amount, as required by Section 2.13 hereof; and, SECOND, disburse, or cause to be disbursed, by wire transfer an amount of funds equal to the Approved Disbursement Amount to the account specified by the Borrower in its requisition delivered to the Lender.

Subject to Section 3.4, no initial proceeds of the Bond Loan shall be disbursed later than sixty (60) months after the Bond Issue Date.

Notwithstanding the forgoing and Section 3.2, any disbursements to capitalize the Borrower's Loan Loss Reserves shall be made pursuant to such requisition process as may be established by the Lender and the CDFI Fund.

Section 3.4. Advances for Relending. Each Advance from the [YEAR-__] Bonds Relending Account (each a "Relending Advance") shall be subject to the requirements of Sections 3.1, 3.2 and 3.3 hereof; *provided* that provision of funds to satisfy the applicable Risk-Share Pool Requirement shall cease upon the final Advance of the original proceeds of the Bonds. In addition, the obligation of the Lender and the Master Servicer/Trustee to make any Relending Advance is subject to the satisfaction of the following additional conditions precedent applicable to each such Relending Advance:

(a) delivery to the Lender of revised cash flows, taking into account the proposed new Secondary Loans, demonstrating the Borrower's ability to continue to pay debt service on the Bond Loan from Secondary Loan payments received from the Secondary Borrowers; and

(b) delivery to the Lender of a supplement to the Secondary Capital Distribution Plan taking into account the proposed new Secondary Loans.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE BORROWER

The Borrower makes the following representations and warranties to the Lender, which will be deemed to be continuing representations and warranties until payment in full of the principal of and interest on the Loan and the Obligations:

Section 4.1. Existence and Rights. The Borrower is a Certified CDFI. The Borrower has the power and adequate authority, rights and franchises to own its Property and to carry on its business as now conducted, and the Borrower is duly organized and validly existing under the laws of the State. The Borrower is duly qualified to transact operations in all places where such qualification is necessary. The Borrower has the power, adequate authority and legal right to enter into this Agreement and each of the other Loan Documents and to perform its obligations hereunder and thereunder.

Section 4.2. Reserved.

Section 4.3. Loan Documents Authorized. The making and performance by the Borrower of this Agreement and each of the other Loan Documents: (i) have been duly authorized by all necessary action of the Board of Directors of the Borrower, (ii) do not require the consent or approval of, or any declaration or filing with, any governmental body, regulatory authority, court or official, not already obtained, (iii) do not violate or contravene or constitute a default under any provision of law or regulation or the organizational documents or bylaws of the Borrower or of any judgment, injunction, order, or mortgage, security agreement, indenture or other agreement or instrument, to which the Borrower is a party or by which the Borrower or any of its other Property may be bound or affected, and (iv) will not result in the creation or imposition of any lien or security interest on any property of the Borrower, other than the lien created pursuant to this Agreement. This Agreement and each of the other Loan Documents are the valid, legal and binding obligations of the Borrower enforceable against it in accordance with their terms subject to bankruptcy, insolvency, liquidation and similar laws generally affecting creditor's rights and general principles of equity and judicial discretion.

Section 4.4. Financial Condition. The audited financial statements of the Borrower as of _____, 20__, and _____, 20__, respectively, and the related statements of revenues and expenses, changes in fund balances and changes in financial position for the period then ended, a copy of which has been delivered to the Lender, fairly present, in conformity with generally accepted accounting principles consistently applied, the financial position of the Borrower as of such date and its results of operations and changes in financial position for such period. The Borrower does not have any material contingent liabilities, liabilities for taxes, or unusual forward or long term commitments not disclosed by, or adequately reserved against, in said financial statements or the notes thereto, and there are no material, unrealized or anticipated losses from any commitment of the Borrower. Since _____, 20__, there has been no material adverse change in the assets, liabilities or financial condition of the Borrower from that shown by such financial statements as of that date.

Section 4.5. Permits and Licenses. The Borrower has made diligent inquiry, and has obtained or will obtain (and knows no reason why such cannot be obtained) all necessary

permits, licenses, accreditations, zoning and other certifications or other necessary approvals to conduct its business as it is presently being conducted, including the making of Secondary Loans.

Section 4.6. Litigation. There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, threatened against or affecting the Borrower: (a) wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by or the validity of this Agreement or any other Loan Document, (ii) the status of the Borrower as a Certified CDFI, or (iii) the Property, assets, operations or condition, financial or otherwise of the Borrower or the ability of the Borrower to perform its obligations under this Agreement and the other Loan Documents, or (b) which in any way contests the existence, organization or powers of the Borrower or the titles of the officers of the Borrower to their respective offices.

Section 4.7. No Event of Default. No Event of Default or other event which, with the giving of notice or the lapse of time or both, would become an Event of Default, has occurred and is continuing or will occur by reason of the execution, filing or recordation of any of the Loan Documents or the borrowing of the Loan.

Section 4.8. Taxes. The Borrower has filed all federal, state, and local income, sales and other tax returns required to have been filed by it and has paid all taxes which have become due pursuant to such returns and the Borrower does not know of any basis for additional assessment in respect of such taxes.

Section 4.9. Nondiscrimination. The Borrower does not, and the Borrower will not, discriminate on the basis of race, sex, color, religion, disabling condition or national origin.

Section 4.10. Reserved.

Section 4.11. ERISA Plans. Each ERISA Plan maintained by the Borrower (i) has been established and maintained in material compliance with ERISA and the Code, (ii) has not engaged in a prohibited transaction, (iii) has not had any accumulated funding deficiency, whether or not waived, and (iv) is not in material risk of being terminated by the Pension Benefit Guaranty Corporation. With respect to any ERISA Plan subject to Title IV of ERISA (x) the Borrower has not incurred, and does not expect to incur, any liability, other than premium payments, to the Pension Benefit Guaranty Corporation, and (y) as determined as of the most recent evaluation date by the ERISA Plan's enrolled actuary under actuarial assumptions normally used in connection with such ERISA Plan, the present value of all vested accrued benefits did not exceed the value of such ERISA Plan's assets (less all liabilities, other than those attributable to accrued benefits) allocable to such vested accrued benefits by more than \$50,000 in the aggregate. Neither the Borrower nor any common control entity has incurred any withdrawal liability in connection with a Multi-employer Plan. Any term used in this Section and not defined in this Agreement is used as defined in ERISA.

Section 4.12. Hazardous Substances. No "Hazardous Substance" is located on or in any part of the Bond Loan Collateral except as permitted by law. The term "Hazardous Substance" shall mean (a) any oil, flammable substance, explosive, radioactive material, hazardous waste or substance, toxic waste or substance or any other waste, material or pollutant

which (i) poses a hazard to the Bond Loan Collateral or to persons on or about the Bond Loan Collateral, or (ii) cause the Bond Loan Collateral to be in violation of any applicable law; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of “hazardous substances,” “hazardous waste,” “restricted hazardous waste,” or “toxic substances” or words of similar import under any applicable local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §9601 et seq.; the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. §6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801; the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Bond Loan Collateral or the owners and/or occupants of property adjacent to or surrounding the Bond Loan Collateral, or any other person coming upon the Bond Loan Collateral or adjacent property; and (e) any other chemical, material or substance which may or could pose a hazard to the environment. The term “Hazardous Substance” shall include, without limitation, raw materials, building components, the products of any manufacturing or other activities at the Bond Loan Collateral and wastes.

Section 4.13. Wetlands. No part of the Bond Loan Collateral consists of or is classified as wetlands, tidelands or swamp and overflow lands or is located in a federally designated “flood area”. The provisions of this Section 4.14 shall survive the repayment of the Loan.

Section 4.14. Eligible Purpose. The Eligible Purpose is an “Eligible Community or Economic Development Purpose” within the meaning of the Act.

Section 4.15. Reserved.

Section 4.16. Title to Bond Loan Collateral. The Borrower has good and marketable title to the Bond Loan Collateral. No part of the Bond Loan Collateral is subject to any lien, mortgage, deed of trust, pledge, security interest or other encumbrance, other than in the Loan Documents and Permitted Liens. The Bond Loan Collateral is comprised of unrestricted assets of the Borrower and the security interest created in the Bond Loan Collateral is valid, binding and enforceable against the Borrower.

Section 4.17. No Default or Other Events. The Borrower (i) within the past five (5) years, (A) has not been delinquent on any payment obligation with respect to any debt; (B) has not been delinquent on any payment obligation, in default, or failed to cure any obligation on any loan or under any loan agreement previously made under the Act; (ii) has not been in default of any payment obligation under any Federal program, (iii) is financially solvent in both the legal and equitable sense, (iv) has the capacity to comply fully with the payment schedule set forth herein and (v) has not been in default under any other agreement or failed to cure any obligation under any other agreement made by the CDFI Fund or the Department of the Treasury.

There are no judgment liens against any of the Borrower’s Property for a debt owed to the United States of America, and (ii) the Borrower has no outstanding debts owed to the United States of America or any agency thereof that is in delinquent status, as the term “delinquent status” is defined in 31 C.F.R. § 285.13(d).

Section 4.18. Secondary Capital Distribution Plan. All information provided by the Borrower in the Secondary Capital Distribution Plan and any other written information provided by the Borrower in connection with the Loan is true and accurate in all material respects as of the date hereof.

The Borrower has a reasonable expectation that Secondary Loans will be made pursuant to the Approved Secondary Capital Distribution Plan, dated _____, 20____, as the same may be amended and supplemented.

ARTICLE 5

COVENANTS OF THE BORROWER

The Borrower covenants and agrees that until payment in full of the principal of and interest on the Loan and the Obligations, the Borrower will do all of the following:

Section 5.1. Information Reporting.

Furnish to the Lender at the Borrower’s expense:

(a) as soon as available and in any event within ninety (90) days after the end of each Fiscal Year, audited financial statements, setting forth in comparative form the figures for the previous Fiscal Year, all certified as to fairness of presentation, generally accepted accounting principles and consistency by any independent public accountants of nationally recognized standing;

(b) simultaneously with the delivery of the set of financial statements referred to in clause (a) above, (i) a certificate of an authorized officer of the Borrower stating whether there exists on the date of such certificate any Event of Default and, if any Event of Default then exists, setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto, and (ii) pro forma projections of the Borrower’s income and expenses for three (3) years;

(c) as soon as available, and in any event within thirty (30) days after the end of each Fiscal Year, annual unaudited financial statements, setting forth in comparative form the figures for the previous Fiscal Year;

(d) as soon as available, and in any event within thirty (30) days after the end of each fiscal quarter of the Borrower, quarterly unaudited financial statements, setting forth in comparative form the figures for the same fiscal quarter of the previous Fiscal Year;

(e) as soon as possible, and in any event within thirty (30) days before the beginning of each Fiscal Year, the Borrower's operating budget for the next Fiscal Year as approved by the Borrower's Board of Directors;

(f) forthwith upon the occurrence of any Event of Default, a certificate of an authorized officer of the Borrower setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto; and

(g) promptly upon the request of the Lender or the CDFI Fund, such other information regarding the Borrower's financial condition and affairs, as the Lender may reasonably request from time to time, including, but not limited to, (i) certain information designed to measure the impacts of the Bond Issue and the Bond Loan and (ii) updates or supplements to the Capital Distribution Plan.

(h) Institution-level reports consisting of organizational, financial, and development services information, as well as transactional-level reports with specific data elements on each of the Borrower's loans and investments including Secondary Loans information such as project level data, loan/investment type, loan/investment amount, and terms.

(i) Any revisions or update (as applicable) to the Borrower's Secondary Capital Distribution Plan.

(j) With respect to Secondary Loans, as soon as possible, in any event within thirty (30) days of the close of each of the Borrower's fiscal quarters, (i) the amount of Bond Loan proceeds committed to Secondary Loans as of the close of such fiscal quarter, (ii) the amount of Bond Loan Proceeds disbursed on account of Secondary Loans, (iii) an accounting of any Secondary Loans that are 30, 60 and 90 or more days past due, (iv) on non-accrual status and (v) such other information as the Lender, the CDFI Fund or the Guarantor may request, from time to time, in each of their sole discretion.

Section 5.2. Retention of Records; Rights to Inspect and Audit. Maintain appropriate books and records, and cause each Secondary Borrower to maintain appropriate books and records, in respect of the Secondary Loans, Bond Loan Collateral and the Bond Loan for a period equal to the term of such Bond Loan and six (6) years following payment in full thereof; permit representatives of the Lender, the Secretary and/or the Inspector General, during normal business hours, to inspect, examine and audit the Borrower's activities, books and records and to make copies, abstracts and memoranda from the Borrower's books and records, and cause each Secondary Borrower to permit the same; permit representatives of the Lender, the

Secretary and/or the Inspector General, during business hours, to inspect the Bond Loan Collateral, and make available its employees, officers, independent contractors and advisors who have a material relationship to the Bond Loan Collateral, and to cause each Secondary Borrower to make available its employees, officers, independent contractors and advisors who have a material relationship to the Bond Loan Collateral, during business hours with representatives of the Lender, the Secretary and/or the Inspector General, as the Lender, the Secretary and/or the Inspector General, respectively, may request.

Section 5.3. Preservation of Corporate Existence and Certified CDFI Status.
Preserve and keep in full force and effect (i) its corporate existence, rights and franchises; (ii) its status as a Certified CDFI and (iii) all approvals, consents, licenses, certifications and permits necessary for the continued operation of the Borrower as a Certified CDFI.

Section 5.4. Advise the Qualified Issuer and CDFI Fund of Material Events.
The Borrower shall advise the Qualified Issuer and CDFI Fund, in writing in reasonable detail, within thirty (30) days of the event, of any of the following Material Events:

- (a) any fact, circumstance, event, change, occurrence, condition, or development of which the Borrower is aware and which, individually, or in the aggregate, has had or would reasonable be expected to have a material adverse effect an organization's strategic direction, mission, or business operation, or its status as a Certified CDFI;
- (b) any proceeding instituted against the Borrower in, by or before any court, governmental or administrative body or agency, which proceeding or its outcome could have a material adverse effect upon the operations, assets or properties of the Borrower;
- (c) any proceeding instituted against the Borrower in, by or before any court, governmental or administrative body or agency, which proceeding involves allegations of discrimination by the Borrower on the basis of race, color, national origin, disability, age, marital status, receipt of income from public assistance, religion, or sex.
- (d) any material adverse change in the condition, financial or otherwise, or operations of the Borrower that would impair the Borrower's ability to fulfill its obligations under this Agreement;
- (e) any substantial change in the business of the Borrower;
- (f) any significant revisions in credit, risk management, or financial reporting policies and procedures of the Borrower;
- (g) any direct financial obligation that is material to the Borrower under an off-balance sheet arrangement;
- (h) any acquisition or disposition of a significant amount of assets by the Borrower;

- (i) any assessment (other than assessments provided by an Appropriate Federal or State Banking Agency that are prohibited by applicable law or regulation from disclosure to the Department of the Treasury) of significant or material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect the Borrower's abilities to record, process, summarize, and report financial information;
- (j) any fraud, whether or not material, that involves management or other employees of the Borrower who have a significant role in internal controls over financial reporting;
- (k) any adverse audit opinions received by the Borrower or pronouncements of non-reliance on previously issued financial statements by the Borrower's board of directors or a committee of the board of directors;
- (l) any changes in corporate governance, senior management, or leadership of the Borrower;
- (m) Any organizational updates such as changes in Bylaws or Articles of Incorporation of the Borrower;
- (n) the loss of the Borrower's Insured Credit Union status as defined in 12 U.S.C. § 1752(7) (if applicable);
- (o) the occurrence of any Event of Default, as that term is defined in Section 7.1 hereof, or any event which upon notice or lapse of time, or both, would constitute an Event of Default;
- (p) the merger, consolidation or acquisition of the Borrower by or with another entity;
- (q) loss of the Borrower's Depository Institution Holding Company status under 12 USC § 1813(w)(1) or Insured Depository Institution status under 12 USC § 1813(c)(2) (if applicable);
- (r) the debarment, suspension, exclusion or disqualification, by the Department of the Treasury, or any other Federal department or agency, of the Borrower (or principal thereof);
- (s) any event or change that would result in the Borrower not being certified as a CDFI; or
- (t) such other events that may be determined by the CDFI Fund, in its sole discretion, to be Material Events and for which the CDFI Fund issues related guidance.

Section 5.5. Compliance with Applicable Law. Comply with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all governmental bodies, federal, state and local, in respect of the conduct of its business, repair, maintenance and the ownership of its Property, including, without limitation, applicable statutes, regulations, orders and restrictions relating to environmental protection and occupational health or safety standards; provided, however, that the Borrower will not be required to comply with any such statute, standard, regulation or order if the applicability or validity thereof will be or is being contested in good faith and by appropriate proceedings diligently conducted, provided that such contest does not create any significant risk of forfeiture.

Section 5.6. Insurance. As of the date hereof, procure and maintain, or cause to be procured and maintained, insurance as approved by the Lender, against such risks and in such amounts customarily maintained by prudently managed organizations conducting such business as the Borrower, and reasonably acceptable to Lender. The insurance policies cannot be canceled or coverage reduced for any reason unless the Lender receives at least a thirty (30) day written notice of such cancellation and another comparable policy replaces it. Copies of all insurance policies shall be provided to the Lender.

Section 5.6. Taxes and Other Liabilities. Pay and discharge, before the same become delinquent and before penalties accrue thereon, all taxes, assessments and governmental charges upon or against it or any of its Properties, and all its other liabilities at any time existing, except to the extent and so long as:

- (a) the same are being contested in good faith and by appropriate proceedings in such manner as not to cause any adverse effect upon its financial condition or the loss of any right of redemption from any sale thereunder; and
- (b) it has set aside on its books reserves (segregated to the extent required by sound accounting practice) adequate with respect thereto.

Section 5.7. ERISA Compliance. Fund all current and past service pension liabilities under all of the ERISA Plans, if any, maintained by the Borrower so that, if all ERISA Plans maintained by the Borrower were terminated at the same time by the Borrower, the aggregate dollar amount of any liens imposed on the Property pursuant to ERISA would not have a material and adverse effect on the business, financial position, operations or prospects of the Borrower. Comply in all other material respects with the provisions of ERISA, the Code and the regulations thereunder which are applicable to the ERISA Plans maintained by the Borrower.

Section 5.8. Use of Proceeds of Loan.

- (a) Not use the proceeds of the Loan to pay Bond Issuance Fees in excess of an amount equal to one percent (1%) of the principal amount of the Loan.
- (b) Only use the proceeds of the Loan for Costs of an Eligible Purpose.

Section 5.9. Collateral Assignment of Secondary Loan Collateral. Prior to or simultaneously with the closing of each Secondary Loan, pledge the Secondary Loan Collateral to the Bond Loan and execute an assignment of any and all of the Borrower's

right, title and interest in and to Secondary Loan Collateral to the Master Servicer/Trustee for the benefit of the Bondholder.

Section 5.10. Administrative Expenses. Pay to or for the account of the Lender within thirty (30) days after notice thereof all reasonable costs and expenses incurred by the Lender in connection with the financing and administration of the Eligible Purpose, except such as may be paid out of the proceeds of the [YEAR-__] Bonds, including, without limitation, the costs of administering this Loan Agreement and the reasonable fees and expenses of attorneys, consultants and others.

Section 5.11. Indemnity Against Claims.

(a) The Borrower hereby agrees to indemnify and save harmless the Lender and the Master Servicer/Trustee from and against all liabilities, obligations, suits, actions, claims, judgments, demands, damages, penalties, fines, assessments, losses, expenses, fees (including all reasonable fees of attorneys, auditors and consultants), taxes (exclusive of income taxes on fees earned by the Master Servicer/Trustee), contributions, and costs of every kind and nature (including litigation and court costs, amounts paid in settlement by or with the approval of the Borrower and amounts paid to discharge judgments) (collectively, “Claims”) incurred by, or asserted or imposed against, an Indemnified Party (as that term is defined below), the Borrower or any other person directly or indirectly resulting from or arising out of or relating to (but excluding such Claims arising from the willful misconduct of the Lender or the gross negligence or willful misconduct of the Master Servicer/Trustee):

- (i) the issuance, sale or delivery of the Bonds;
- (ii) the enforcement of (a) the provisions of this Bond Loan Agreement, the other Bond Documents and the Loan Documents and (b) the obligations of the Borrower imposed hereby or thereby;
- (iii) any untruthful, misleading or inaccurate information supplied by the Borrower relating to the Eligible Purposes, the Borrower, the Secondary Loan, the Secondary Borrower or to the terms of financing relating to the Eligible Purposes, including but not limited to, any breach of any representation or warranty of the Borrower set forth in the Loan Documents or any certificate delivered pursuant thereto, and any representation or warranty of the Borrower, or any information of or provided by the Borrower that contains or contained any untrue or misleading statement of fact or omits or omitted to state any material fact necessary to make the statements made therein not misleading in light of the circumstances under which they were made;
- (iv) any breach or alleged breach (except in the case of a breach alleged by the Lender or the Master Servicer/Trustee and such alleged breach is not found by a court of competent jurisdiction) by the Borrower of the covenants of the Borrower contained herein;

- (v) any injury to or death of any person or damage to property in or upon the Bond Loan Collateral or the Eligible Purpose of any Secondary Borrower or growing out of or connected with the repair, management, ownership, operation, use, non-use, maintenance, construction, design, installation, rehabilitation, condition or occupancy of the Bond Loan Collateral or the Eligible Purpose of any Secondary Borrower or any part thereof caused by the negligence or willful act of the Borrower or any Secondary Borrower, including any and all acts or operations relating to any construction, rehabilitation, operation, use, non-use, design, management, ownership, condition, occupancy, maintenance, installation or repair performed by the Borrower or the Secondary Borrower in connection with the Bond Loan Collateral or the Eligible Purpose of any Secondary Borrower;
- (vi) violation or breach of any agreement, covenant, representation, warranty or condition of this Bond Loan Agreement (except in the case of a breach alleged by the Lender or the Master Servicer/Trustee and such alleged breach is not found by a court of competent jurisdiction) or the Note, except by the Lender in the case of its willful misconduct or the Master Servicer/Trustee in the case of its gross negligence or willful misconduct;
- (vii) the deposit, storage, disposal, burial, dumping, injecting, spilling, leaking, or other placement or release in, on or from the Bond Loan Collateral or the Eligible Purposes of any Secondary Borrower, of Hazardous Substances (as defined in Section 4.13 hereof) or the violation or alleged violation of any laws related to Hazardous Substances, as described in Section 4.13 hereof, or official interpretation thereof in connection with the Bond Loan Collateral or the Eligible Purposes of any Secondary Borrower or the land on which either of them is located;
- (viii) all expenses reasonably incurred in the investigation of, preparation for or defense of any litigation, proceeding or investigation of any nature whatsoever related to the Bond Loan Collateral, the Eligible Purposes or the Bonds, commenced or threatened against the Borrower, the Eligible Purposes or an Indemnified Party;
- (ix) any action, suit, claim, demand or proceeding contesting or affecting title to the Bond Loan Collateral;
- (x) any suit, action, administrative proceeding, enforcement action, or governmental or private action of any kind whatsoever commenced against the Borrower, the Bond Loan Collateral, the Eligible Purposes or an Indemnified Party that might adversely affect the validity or enforceability of the Bonds, the Loan Documents, or the

performance by the Borrower or by any Indemnified Party of their respective obligations under the Loan Documents, the Bond Documents or any other document executed in connection therewith by the Borrower or any Indemnified Party;

- (xi) any claims (including without limitation third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities (including sums paid in settlements of claims), interest or losses, attorneys' fees (including any fees and expenses incurred in enforcing this indemnity), consultant fees, and expert fees that arise directly or indirectly from or in connection with the presence on the Bond Loan Collateral of wetlands, tidelands or swamp and overflow lands, or any breach of the foregoing representation and warranty. The defense of any such claims or liabilities shall be the sole obligation of the Borrower. Neither the Lender nor the Master Servicer/Trustee, or their successors and assigns, shall be obligated to assume or defend any claim, whether asserted against the Borrower or otherwise. The Borrower shall promptly reimburse the Lender and the Master Servicer/Trustee for their respective costs of defense of any such claim, including reasonable expenses and attorney's fees; and
- (xii) information provided by the Borrower or any Secondary Borrower or required and failed to be furnished by the Borrower or any Secondary Borrower relating to the Borrower, the Secondary Loan, the Bond Loan Collateral or the Eligible Purposes, including, without limitation, any information furnished by the Borrower or the Secondary Borrower for, and included in, or used as a basis for preparation of, any certifications, information statements or reports furnished by the Lender, any other information or certification obtained from the Borrower with respect to the transactions contemplated by the Supplemental Indenture, the Bonds, and the Bond Documents and the carrying out by the Borrower of any of the transactions contemplated by the Bonds, the Supplemental Indenture and the Bond Documents.

All references to the Lender and the Master Servicer/Trustee in this Section shall be deemed to include all their respective past, present, and future officers, directors, members, employees, commissioners, and agents and their permitted successors and assigns (also referred to herein as "Indemnified Party" or "Indemnified Parties").

The Borrower shall indemnify and save each Indemnified Party harmless from any such Claims (but excluding such Claims arising from the willful misconduct of the Lender or the gross negligence or willful misconduct of the Master Servicer/Trustee) and upon notice from such Indemnified Party, the Borrower and the Managing Member shall defend them or either of them in any such action or proceeding as provided below.

Any Indemnified Party, after receipt of notice of the existence of a Claim in respect of which indemnity hereunder may be sought or of the commencement of any action against an Indemnified Party in respect of which indemnity hereunder may be sought, shall notify the Borrower in writing of the existence of such Claim or commencement of such action. The Borrower shall undertake promptly to defend, at their sole cost and expense, any and all Claims against an Indemnified Party in connection with any of the matters indemnified against in this Section. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought under this Bond Loan Agreement, the Borrower, upon receipt of written notice from the Indemnified Party, shall assume the investigation and defense of the Claims, including the employment of counsel selected by the Borrower, subject to the approval of the Indemnified Party in such party's sole discretion. The Borrower shall pay all expenses related to the action or proceeding, with full power to litigate, compromise or settle the same in its sole discretion, *provided* that the Lender, the CDFI Fund and the Master Servicer/Trustee, as appropriate, shall have the right to review and approve or disapprove any such compromise or settlement. If (i) an Indemnified Party determines that a potential conflict of interest exists or may arise as a result of the Borrower assuming the investigation and defense of any Claims, (ii) an Indemnified Party shall have been advised by counsel that there may be legal defenses available to it which are different from or additional to those available to the Borrower, or that a conflict exists that could affect the zealous defense of such Claims by the Borrower or (iii) the Borrower shall not have assigned the defense of such action and employed counsel therefor satisfactory to the Indemnified Party within a reasonable time after notice of commencement of such action, such Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense of the action or proceeding, and the Borrower shall pay the fees and expenses of such separate counsel.

(b) Notwithstanding the fact that it is the intention of the parties hereto that the Lender and the Master Servicer/Trustee shall not incur any pecuniary liability by reason of (i) the terms of this Bond Loan Agreement, the Note or the undertakings required of the Lender or the Master Servicer/Trustee hereunder, (ii) the issuance of the Bonds, (iii) the execution of the Supplemental Indenture or (iv) the performance of any act requested of the Lender by the Borrower, including all claims arising in connection with the violation of any statutes or regulation pertaining to the foregoing; nevertheless, if the Lender or the Master Servicer/Trustee should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold the Lender and the Master Servicer/Trustee harmless against all such Claims (but excluding such Claims arising from the willful misconduct of the Lender, and in the case of the Master Servicer/Trustee, the gross negligence or willful misconduct of the Master Servicer/Trustee) whatsoever, by or on behalf of any person, firm or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such Claim or in connection with any action or proceeding brought thereon, and upon notice from the Lender, the Borrower shall defend the Lender in any such action or proceeding.

(c) Failure of an Indemnified Party to provide notification to the Borrower required under this Section shall not operate as a waiver of the Borrower's indemnification obligations in this Section.

(d) The obligations of the Borrower under this Section are joint and several and shall survive the termination of this Bond Loan Agreement.

(e) This indemnification shall extend to and include, without limitation, all reasonable costs, counsel fees, expenses or liabilities incurred in connection with any claim to which the Borrower's indemnification obligation extends, or proceeding brought with respect to such claim, except (a) in the case of the foregoing indemnification of the Master Servicer/Trustee or any of its Indemnified Parties, to the extent such damages are caused by the gross negligence or willful misconduct of such Person, and (b) in the case of the foregoing indemnification of the Lender or any of its Indemnified Parties, to the extent such damages are caused by the willful misconduct of such Person.

Section 5.12. Financial Covenants. **[INSERT SPECIFIC FINANCIAL COVENANTS FOR THE BORROWER]** Ensure that the following financial covenants are maintained on an annual basis to be determined based on the Borrower's annual [audited] financial statements:

- (a) the liquidity ratio of the Borrower's current assets to the Borrower's current liabilities shall be greater than [#.#];
- (b) the leverage ratio of the Borrower's short-term debt plus the Borrower's long-term debt to the Borrower's total assets shall be no greater than [#.#];
- (c) the debt service coverage ratio of change in the Borrower's net assets to interest plus the current portion of the Borrower's debt shall be greater than [#.#];
- (d) the net asset ratio of the Borrower's net assets to the Borrower's total assets shall be greater than [#.#]; and
- (e) the unrestricted net asset ratio of the borrower's unrestricted net assets to the Borrower's total assets shall be greater than [#.#].

Section 5.13. Operation and Maintenance. To maintain or cause to be maintained the Bond Loan Collateral in good condition and repair, reasonable wear and tear excepted, and in material compliance with all statutes, ordinances, codes, regulations and orders of any governmental authority or court and will operate and/or manage, or cause to be operated and/or managed, the Bond Loan Collateral as a part of the operations of the Borrower or any Secondary Borrower, as applicable, and, if applicable, as revenue-producing enterprises in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof.

Section 5.14. Consent of Borrower to Bond Indenture. Be bound to the extent applicable by the Bond Indenture and Supplemental Indenture as though incorporated as a part hereof.

Section 5.15. Secondary Loans; Relending. Execute Secondary Loan documents (in the form of promissory notes) with Secondary Borrowers as follows: (i) not later than twelve (12) months after the Bond Issue Date, Secondary Loan documents representing at least fifty percent (50%) of the Bond Loan proceeds allocated for Secondary Loans, and (ii) not later than twenty-four (24) months after the Bond Issue Date, Secondary Loan documents representing one hundred percent (100%) of the Bond Loan proceeds allocated for Secondary Loans. In the event that the Borrower does not comply with the foregoing requirements of clauses (i) and (ii) of this Section 5.15(a), the available Bond Loan proceeds at the end of the applicable period shall be reduced by an amount equal to the difference between the original par amount of available

Bond Loan proceeds minus the applicable amount of the required Bond Loan proceeds not then subject to Secondary Loan documents.

(a) Ensure that each Secondary Loan is made in accordance with the Approved Capital Distribution Plan and underwritten and approved in accordance with the Secondary Loan Requirements.

(b) Ensure that each Secondary Loan agreement, and the corresponding Secondary Loan documents, (i) comply with the requirements set forth in 12 C.F.R. Section 1808.307 and/or Section 1808.308, as applicable, and (ii) contain all such representations, warranties and covenants of the Secondary Borrower with respect to the Secondary Borrower, the Secondary Loan, the Eligible Purposes and the Collateral securing the Secondary Loan, as are required of the Borrower hereby with respect to the Borrower, the Bond Loan, the Eligible Purposes and the Bond Loan Collateral, including an opinion of counsel to the Secondary Borrower substantially similar to that set forth as Exhibit B hereto.

(c) Use best and commercially reasonable efforts to ensure that amounts on deposit in the applicable account of the Relending Fund does not equal more than ten percent (10%) of the principal amount outstanding of the Loan minus the amount on deposit in the applicable account of the Risk-Share Pool, as of the Calculation Date (the “Relending Account Maximum”). Any amounts retained in the applicable Relending Account that exceeds the Relending Account Maximum by \$100,000 or more as of the applicable Calculation Date (as defined below) shall be transferred to the Redemption Account of the Debt Service Fund to effectuate a mandatory redemption of the Bond in accordance with Section 601(b) of the Bond Indenture. The determination of the actual amount on deposit on any Calculation Date shall exclude amounts then obligated pursuant to any executed promissory notes for Secondary Loans, whether then disbursed or undisbursed. For purposes of this paragraph (d), “Calculation Date” means, following the Notification Date, the earlier of: (i) The date on which the balance in the Relending Account becomes less than or equal to the Relending Account Maximum, or (ii) Six (6) months following the Notification Date (as hereinafter defined). “Notification Date” means the date on which the Master Servicer/Trustee notifies the Borrower that the balance in the Relending Account exceeds the Relending Account Maximum.

(d) Ensure that Secondary Loans made from proceeds of the Bond Loan or from the Relending Account shall not be effectuated through the commingling of such funds with funds derived from other sources or other Bond Loans of the Eligible CDFI. Each Secondary Loan must be separate and distinct and, as such, must be evidenced by separate and distinct agreements, notes and other applicable instruments or contracts.

(e) Engage a qualified escrow or paying agent (which fiduciary shall be approved by the Lender) (the “Escrow Agent”), at the Borrower’s expense, to (i) collect principal and interest, and premium, if any, payments with respect to each Secondary Loan directly from each Secondary Borrower, (ii) establish a lockbox trust account in the name of the Lender into which such Secondary Loan payments shall be deposited, (iii) account for all amounts on deposit in such trust accounts, (iv) report to the Lender and the Borrower all amounts on deposit in such trust accounts at the request of either party, and (v) remit monies to the Master Servicer/Trustee in accordance with the invoice for the Bond Loan delivered from the Lender and in accordance with such trust agreements as may be executed between the Lender, the Borrower and the

Escrow Agent; *provided* that, if, notwithstanding these arrangements, the Borrower receives any payments on account of any Secondary Loan with respect to the principal or redemption price of or interest on any Secondary Loan, the Borrower shall immediately pay over such payment to the Escrow Agent to be applied as herein provided.

Section 5.16. Bond Issuance Fees.

Provide monies other than proceeds of the Bonds for deposit to the Bond Issuance Fees Account for application to Bond Issuance Fees in excess of the one percent (1%) permitted to be applied from proceeds of the Bond.

Section 5.17. Americans with Disabilities Act.

The Borrower shall ensure compliance with the provisions of the Americans with Disabilities Act, to the extent codified in state and local building codes.

Section 5.18. Federal Construction Standards and Seismic Safety in Construction.

In construction related to the Eligible Purpose, the Borrower shall cause the Secondary Borrower to adhere to the following federal construction standards: (a) accessibility; (b) environmental impact; (c) safety; (d) historical preservation; (e) seismic activity; (f) metrification; and (g) wages. The Borrower shall cause the Secondary Borrower to ensure compliance with Executive Order 12699, Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction.

Section 5.19. Equal Opportunity. The Borrower shall ensure compliance with the then-current equal opportunity policy statement of the Secretary.

**ARTICLE 6
NEGATIVE COVENANTS OF THE BORROWER**

The Borrower covenants and agrees that until payment in full of the Loan and the Obligations, unless the Lender otherwise consents in writing, the Borrower will not do any of the following:

Section 6.1. Additional Debt. Incur or issue additional debt to the extent that the incurrence of such additional debt would violate the financial covenants of the Borrower set forth in Section 5.12 hereof.

Section 6.2. Sale, Lease or Other Disposition of Property or Current Assets.

Transfer, lease, sell or dispose of any portion of the Property to any other person, unless permitted in Section 6.3 or 6.4 hereof, *provided, however*, that so long as no Event of Default has occurred and is continuing hereunder :

(a) The Borrower may, from time to time, remove, sell or otherwise dispose of Property which has been replaced in the ordinary course of its business; provided that in the event that any such Property constitutes Bond Loan Collateral the replaced property shall constitute “Bond Loan Collateral” hereunder.

(b) The Borrower may, from time to time, use Current Assets to acquire new Property, goods and services, or as an investment of funds, in each case in an arm’s length transaction, or in the case of transfers to affiliates, upon terms no less favorable to the transferor than an arm’s length transaction with a transferee which is not an affiliate.

(c) The Borrower may, from time to time, transfer, sell or otherwise dispose of Property if the Borrower files with the Master Servicer/Trustee and the Lender a certificate of a Borrower Representative certifying that (1) such Property is obsolete, or (2)(A) if such transfer, sale or disposition had been made immediately prior to the preceding Fiscal Year, the [Debt Service Coverage Ratio] for such Fiscal Year would have been not less than one hundred twenty-five percent (125%) of the actual [Debt Service Coverage Ratio] for such Fiscal Year, and (B) such transfer sale or disposition is for fair market value, and the proceeds thereof will be used (i) to retire Debt, (ii) to invest in property plant and equipment or (iii) to purchase investment securities.

(d) The Borrower may transfer, sell or otherwise dispose of Property if the Borrower files with the Lender and the Master Servicer/Trustee a Management Consultant’s report stating that (i) assuming such transfer, sale or disposition had occurred immediately prior to the commencement of the two (2) most recent Fiscal Years for which audited financial statements are available, either (A) the Debt Service Coverage Ratio for each such Fiscal Year would not have been less than the actual Debt Service Coverage Ratio for such Fiscal Year; (ii) the ratio of Long-Term Debt to the value of the Bond Loan Collateral will not be more than one hundred fifteen percent (115%) of what it was prior to such transfer, sale or disposition, and (iii) the value of the total net assets of the Borrower following such transfer, sale or disposition will not be less than [eighty-five percent (85%)] of what it was prior to such transfer, sale or disposition.

Nothing in this Section 6.2 shall be interpreted to allow the Borrower to transfer the Bond Loan Collateral, except pursuant to Section 6.4 hereof.

Section 6.3. Consolidation, Merger, Sale or Conveyance. Merge or consolidate with any other entity or sell or convey all or substantially all of its Property and assets to any Person unless:

(a) The Borrower is the surviving, resulting or transferee corporation, as the case may be (the “Survivor”), or in the event the Borrower is not the Survivor, the Survivor (A) is a solvent corporation and is a Certified CDFI, (B) such transaction is approved in writing prior to its consummation by the Secretary, (C) such transaction would not violate the loan limits or any other provision of the Act, and (D) assumes in writing the due and punctual payment of the principal of and premium, if any, and interest on the outstanding Bonds issued under the Bond Indenture according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions

of this Agreement, which document shall be delivered by the Survivor to the Lender and the Master Servicer/Trustee; and

(b) Immediately upon such merger consolidation or transfer, the financial covenants set forth in Section 5.15 are met by the Survivor; and

(c) The net worth, exclusive of restricted fund balances, of the Survivor immediately following such merger, consolidation or transfer will not be less than [ninety percent (90%)] of that of the Borrower immediately prior to such merger, consolidation or transfer; and

(d) No Event of Default will have occurred by reason of such merger, consolidation or transfer, and no event will have occurred by reason of such merger, consolidation or transfer which, with the passage of time or giving of notice, would constitute an Event of Default.

(e) Prior to any merger, consolidation or transfer, the Borrower shall deliver to the Lender and the Master Servicer/Trustee, a certificate of a Borrower Representative demonstrating that all of the foregoing conditions have been satisfied, which certificate shall be supported by such reports or opinions signed by an independent public accountant of nationally recognized standing and insurance consultant as the Master Servicer/Trustee or the Lender may reasonably require.

Section 6.4. Transfer of Bond Loan Collateral. Except as otherwise provided in this Agreement, without the prior written consent of the Secretary in the Secretary's sole discretion, pledge, sell, mortgage, encumber, lease, transfer or otherwise dispose of the Bond Loan Collateral to any Person during the life of the Loan.

Section 6.5. Limitations on Creation of Liens. Create or suffer to be created or exist any Lien upon any of the Bond Loan Collateral, now owned or hereafter acquired by the Borrower other than Permitted Liens.

Section 6.6. Restrictions on Uses of Bond Loan Proceeds. Apply proceeds of the Bond Loan for the following purposes, as prohibited by 12 C.F.R. 1808.309:

- (a) Political activities;
- (b) Lobbying, whether directly or through other parties;
- (c) Outreach;
- (d) Counseling services;
- (e) Travel expenses;
- (f) For the salaries or administrative costs of the Lender or any recipients of Bond Proceeds, other than those costs covered by Bond Issuance Fees;
- (g) To fund the Risk-Share Pool;

- (h) To pay fees other than Bond Issuance Fees; or
- (i) Any other use as may be specified in the applicable Notice of Guarantee Availability.

**ARTICLE 7
DEFAULTS**

Section 7.1. Definition of Event of Default. Each of the following constitutes an Event of Default:

- (a) The Borrower fails to pay, when due, any Loan Deposit or any other amount outstanding hereunder provided that no Event of Default shall occur under this clause (a) if the amount due is paid by the Borrower within ten (10) days of the date it was due and all Loan Deposits required in the prior twelve (12) months were paid; or
- (b) The Borrower fails to perform or observe any other term or condition hereunder and of any of the Loan Documents applicable to the Borrower or Bond Loan Collateral and such event or circumstance, if capable of being cured, is not cured within thirty (30) days after written notice thereof is given by the Lender to the Borrower; or if not curable within such thirty (30) day period, Borrower has failed to undertake to cure such event or circumstance in a reasonably timely manner; or
- (c) Any of the Borrower's representations or warranties made hereunder or in any of the Loan Documents, made in any certificate or writing furnished to the Lender pursuant to any of the Loan Documents or furnished by the Borrower to the Lender in connection with the application for, or the negotiation of, this Agreement, is false or incorrect in any material respect; or
- (d) The principal of, or any interest on, any indebtedness in excess of \$100,000 of the Borrower or any Affiliate is not paid when due, and such non-payment is not cured within the applicable period for cure available under the note evidencing such indebtedness, or any term or covenant binding on the Borrower or any Affiliate in any note, loan agreement, mortgage, indenture or other agreement relating to any such indebtedness is breached in any respects and such breach is not cured within the applicable period for cure available under such agreement; or
- (e) The holder of any junior, subordinated or parity lien on the Bond Loan Collateral or any part thereof, (without hereby implying the Lender's consent to any junior, subordinated or parity lien) institutes foreclosure or other proceedings for the enforcement of its remedies thereunder; or
- (f) A Bankruptcy Related Event occurs; or
- (g) Any money judgment, writ or warrant of attachment or similar process is entered or filed against the Borrower or any of its Property and remains unvacated, unbonded or unstayed for a period of sixty (60) days from filing; or

(h) Any Event of Default by the Borrower pursuant to any other agreement with the CDFI Fund or the Department of the Treasury.

Section 7.2. Remedies.

(a) Upon the occurrence of an Event of Default, the Lender may do any one or more of the following (without presentment, protest or notice of protest, all of which are expressly waived by the Borrower):

(i) by written notice to the Borrower, to be effective upon dispatch, declare the principal of, and interest on, the Loan forthwith due and payable, whereupon the principal of, and interest on, the Loan will become forthwith due and payable;

(ii) exercise all rights granted pursuant to any of the Loan Documents, in such order and in such manner as the Lender may, in its sole and exclusive judgment, determine;

(iii) apply for the appointment of a receiver, trustee, liquidator or conservator of the Bond Loan Collateral, without notice and without regard for the adequacy of the security for the Loan and without regard for the solvency of Borrower or of any person, firm or other entity liable for the payment of the Loan; and

(b) at the behest of the CDFI Fund terminate this Loan Agreement and declare any Loan funds which have been provided to the Borrower up until the Event of Default as well as the interest accrued thereon from the date the funds were received at the rate established under the terms of this Loan Agreement, to be immediately due and payable in full to the Lender.

Section 7.3. Other Remedies.

(a) Upon the occurrence and continuance of an Event of Default, the Lender may pursue any available remedy, at law or in equity to enforce the performance of or the compliance with any obligation of this Agreement, the Bond Indenture or the Supplemental Indenture.

(b) No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence in it, and every such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) No waiver of any Event of Default shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent to such Event of Default.

Section 7.4. Guarantor's Rights.

(a) Notwithstanding any provision herein to the contrary, the Guarantor shall have the right to enforce any of the provisions herein including Lender's rights under the Loan Documents against the Lender and the Borrower.

(b) Upon the occurrence of an Event of Default the Guarantor may enforce any rights accruing to it under the UCC Financing Statements. The Guarantor's exercise of its rights under this Section 7.4(b) shall be subject to the provisions of Section 2.11 of the Agreement to Guarantee which provisions are hereby incorporated herein by this reference thereto; provided, however, that no provisions hereof in any way limits the Guarantor's rights to administrative offset as provided under Federal law.

(c) In the event that an Event of Default shall have occurred and be ongoing under this Loan Agreement and the Guarantor exercises its option to declare any funds which have been provided to the Borrower and the interest accrued thereon to be a Debt immediately payable in full to the Guarantor, the Guarantor may collect such funds by administrative offset against Federal program payments due to the Borrower. In instituting administrative offset, the Guarantor will transfer the Borrower from the advance payment method of payment of Federal program funds to a reimbursement payment basis so that the Borrower will only be permitted to receive credit against this Debt or payment of Federal funds on documented expenditures of institutional funds for program purposes.

(d) In the event that the Guarantor seeks to collect due to an Event of Default above by administrative offset, as provided for in clause (c) above, the Borrower hereby waives both administrative and judicial review of the Guarantor's use of administrative offset to collect such amounts as may be owed by the Borrower to the Guarantor.

(e) In the event that the Guarantor seeks to collect due to an Event of Default, the Borrower shall be responsible for any legal fees and/or collection costs incurred by the Master Servicer/Trustee or the Federal government in the course of collecting the debt or in the course of any enforcement proceeding instituted by the Master Servicer/Trustee or the Federal government in its effort to collect this debt; waives the issuance of service of process upon the Borrower in any suit on this debt; and waives any venue requirement in such suit.

Section 7.5. Rescission of Declaration.

If the Lender makes a declaration pursuant to Section 7.2(a) above, the Lender may rescind such declaration and the consequences thereof at any time by written instrument.

**ARTICLE 8
MISCELLANEOUS**

Section 8.1. Further Assurance. At any time and from time to time upon the request of the Lender, the Borrower will promptly give, execute, deliver, file and record any notice, statement, instrument, document, agreement or other paper and do such other acts and things as the Lender reasonably may request in order to effect fully the purposes of the Loan Documents, which purposes include, without limitation, the creation, preservation, perfection or validation of any lien or security interest of the Lender in the Bond Loan Collateral.

Section 8.2. Notices. All notices, requests, demands, and other communications herein shall be in writing, and, except as otherwise specifically provided in this Agreement, shall be deemed given (i) if hand delivered or delivered by courier, when delivered to the appropriate notice address, or (ii) if mailed by first class mail, postage prepaid, six (6) Business Days after deposit in the United States mail addressed to the appropriate notice address. The parties listed below may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice required or permitted hereunder shall be directed to the following notice address:

(a) If to the Lender:

[QUALIFIED ISSUER]

Attn: _____

With a copy to:

(b) If to the Borrower:

[ELIGIBLE CDFI]

Attn: _____

With a copy to:

Attn: _____

(c) If to the Master Servicer/Trustee:

Attn: _____

With a copy to:

Attn: _____

Section 8.3. Failure or Indulgence Not Waiver. No failure on the part of the Lender or the CDFI Fund, or the Department of the Treasury to exercise, and no delay in exercising, any right, power or remedy hereunder will operate as a waiver thereof; nor will any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and not exclusive of any rights, powers and remedies otherwise available or provided by law. The Lender will not have waived or suspended its right to timely performance of the Borrower’s obligations under the Loan Documents by accepting or tolerating late performance of any such obligations on one or more occasions.

Section 8.4. Expenses. The Borrower will pay and indemnify the Lender from, and hold it harmless against (i) the cost of all items set forth in Section 3.1(a) and (d) hereof, (ii) all out-of-pocket expenses of the Lender in connection with the enforcement of the Loan and each of the Loan Documents and any waiver or amendment of any provision thereof, (iii) the cost of a trustee, if there is in existence a Bond Indenture related hereto, and (iv) any transfer taxes, documentary taxes, assessments or charges made by any governmental authority by reason of the execution, delivery, filing, recordation, performance or enforcement of any of the Loan Documents or the Loan; including in all cases, without limitation, the reasonable fees and out-of-pocket expenses of legal counsel, accountants, appraisers, surveyors and other professional advisers to the Lender with respect to any of the above. The obligations for payments described in this Section 8.4 shall be the exclusive obligations of the Borrower, and neither the Lender nor the Master Servicer/Trustee, or their successors and assigns, shall have any obligation for any payment thereof. In the event any such payments are assessed against and are paid by either the Lender or the Master Servicer/Trustee, the Borrower shall promptly reimburse the Lender or the Master Servicer/Trustee, as the case may be. The obligations of the Borrower under this Section 8.4 will survive the repayment of the Loan. Notwithstanding anything to the contrary in any Loan Document, the Borrower will not be obligated to pay any franchise, estate, inheritance, income, excess profits or similar tax on the Lender or on or measured by the Loan or any Obligation. The provisions of this Section 8.4 will be cumulative to, and not restrictive of, any provision of any other Loan Document relating to any of the matters covered hereby.

Section 8.5. Reserved.

Section 8.6. Severability. In case any provision in this Agreement or in the Note is invalid, illegal or unenforceable in any jurisdiction, such provision is severable from the remainder thereof as to such jurisdiction and the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired in any jurisdiction.

Section 8.7. Survival of Representations and Warranties. All agreements, representations and warranties made herein or in any other Loan Document will survive the execution and delivery of the Loan Documents and the making of the Loan.

Section 8.8. Assignability. This Agreement will be binding upon the parties hereto and their respective successors and assigns, and will inure to the benefit of the parties hereto and the successors and assigns of the Lender.

Section 8.9. Modification. None of the Loan Documents may be amended, waived or modified in any manner without the prior written consent of the Lender and the Borrower. Any such waiver will be effective only in the specific instance and for the specific purpose for which given.

Section 8.10. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original but all of which taken together will constitute one (1) agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 8.11. Rights and Duties of Secretary and Replacement Lender. In the event of the discharge or termination of the Lender by the Secretary, (i) the Bond Loan outstanding herewith at the time of such discharge or termination shall remain in full force under the terms and provisions of this Agreement and the Agreement to Guarantee, (ii) the Secretary shall have the same rights and duties as the Lender under this Agreement and the Agreement to Guarantee until such time as a replacement Lender has been appointed, and (iii) the replacement Lender upon appointment shall have the same rights and duties as the predecessor original Lender under the Agreement to Guarantee.

Section 8.12. Acknowledgment. The Borrower acknowledges receipt of copies of the Agreement to Guarantee, the Program Financing Agreement and the Bond. The Borrower further acknowledges that the Borrower's obligations under this Agreement are to be interpreted consistently with such other documents.

Section 8.13. Governing Law. This Loan Agreement and the Note will be construed in accordance with, and governed by, the law of the District of Columbia except that the provisions relating to administrative offset set forth in Section 7.4 hereof shall be construed in accordance with, and governed by, Federal law.

(End of ARTICLE 8)

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

[QUALIFIED ISSUER], as Qualified Issuer

By: _____
Name: _____
Title: _____

[ELIGIBLE CDFI]

By: _____
Name: _____
Title: _____

EXHIBIT A

PROMISSORY NOTE RELATING TO [YEAR-__] BONDS

\$_____

Final Maturity Date: _____
Interest Payment Dates: _____ 1 and _____ 1
First Payment Date: _____ 1, 20____

[ELIGIBLE CDFI], a _____, organized and existing under the laws of _____ (the “Borrower”), for value received, hereby promises to pay to the order of [QUALIFIED ISSUER] (the “Lender”). as Qualified Issuer pursuant to the Act, such amounts as may be advanced from time to time to or for the account of the Borrower (each such amount being an “Advance”) up to the principal sum of \$_____ together with interest on the unpaid principal balance of each Advance from the date that the respective Advance is made until fully and finally paid, together with all taxes levied or assessed on this Note or the debt evidenced hereby against the holder hereof. Each Advance made under this Note shall bear interest at the rate of interest determined as provided in the [YEAR-__] Bonds referred to below.

This Note has been executed under and pursuant to the Bond Loan Agreement dated as of _____, 20__, between the Lender and the Borrower (the “Agreement”) and is secured as provided in such Agreement and certain assignments Secondary Loan Collateral by the Borrower, in favor of the Lender (individually and collectively, the “Collateral Assignment”). This Note is issued to evidence the obligation of the Borrower under the Agreement to repay the loan made by the Lender from the proceeds of its \$_____ Eligible Purpose Funding Bond, [YEAR-__] ([ELIGIBLE CDFI]) (the “ [YEAR-__] Bonds”), together with interest thereon and all other amounts, fees, penalties, premiums, adjustments, expenses, counsel fees and other payments of any kind required to be paid by the Borrower under the Agreement.

The Agreement, the Collateral Assignment and this Note (hereinafter collectively referred to as the “Financing Documents”) have been assigned to _____. (the “Master Servicer/Trustee”) acting pursuant to Bond Indenture dated as of _____, 20__ as amended and supplemented, and particularly as amended and supplemented by the _____ Supplemental Indenture of Trust between the Master Servicer/Trustee and the Lender dated as of _____, 20__ (collectively, the “Bond Indenture”). Such assignment is made as security for the payment of the [YEAR-__] Bonds.

As provided in the Agreement and subject to the provisions thereof, payments hereon are to be made at the corporate trust office of the Master Servicer/Trustee in _____, or at the office designated for such payment by any successor trustee in an amount which, together with other moneys available therefor pursuant to the Bond Indenture, will equal the amount payable as principal of and interest, late charges (if any), and premiums (if any) on the [YEAR-__] Bonds outstanding under the Bond Indenture on such Payment Date. The [YEAR-__] Bonds provides for the optional prepayment thereof in whole or in part and, accordingly, the Agreement includes provision for optional prepayment of this Note as a whole or in part, and in such event the prepayment shall be credited in inverse order of principal installments due. As provided in Section 2.6 of the Agreement, Loan Payments shall be deemed paid at the time the

corresponding payments of principal and interest are paid on the [YEAR-__] Bonds to the extent that such payments on the [YEAR-__] Bonds are attributable to Loan Deposits or investment earnings thereon.

The Borrower shall make payments on this Note on the dates and in the amounts specified herein and in the Agreement and in addition shall make such other payments as are required pursuant to the Financing Documents, the Bond Indenture and the [YEAR-__] Bonds. Upon an Event of Default, as defined in any of the Financing Documents, the principal of and interest on this Note may be declared immediately due and payable as provided in the Agreement. Upon any such declaration the Borrower shall pay all costs, disbursements, expenses and reasonable counsel fees of the Lender, the Secretary and the Master Servicer/Trustee in seeking to enforce their rights under any of the Financing Documents.

All obligations of the Borrower herein are obligations of the Borrower and not of its officers, directors or employees.

THE BORROWER ACKNOWLEDGES THAT THE LOAN EVIDENCED BY THIS NOTE IS A COMMERCIAL TRANSACTION AND WAIVES ITS RIGHTS TO NOTICE AND HEARING AS ALLOWED UNDER ANY STATE OR FEDERAL LAW WITH RESPECT TO ANY PREJUDGMENT REMEDY WHICH THE HOLDER HEREOF MAY DESIRE TO USE. The Borrower further (1) waives diligence, demand, presentment for payment, notice of nonpayment, protest and notice of protest, notice of any renewals or extension of this Note, and all rights under any statute of limitations, (2) agrees that the time for payment of this Note may be changed and extended at the sole discretion of the Master Servicer/Trustee without impairing its liability hereon, and (3) consents to the release of all or any part of the security for the payment thereof at the discretion of the Master Servicer/Trustee or the release of any party liable for this obligation without affecting the liability of the other parties hereto. Any delay on the part of the Lender or the Master Servicer/Trustee in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

IN WITNESS WHEREOF, [ELIGIBLE CDFI] has caused this Note to be executed by its duly authorized officer all as of September __, 2012.

[ELIGIBLE CDFI]

By: _____
Name: _____
Title: _____

Lender Endorsement

Pay to the order of _____., as Master Servicer/Trustee, without recourse.

[QUALIFIED ISSUER], as Qualified Issuer

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF OPINION OF BORROWER’S COUNSEL

,

EXHIBIT C
FORM OF REQUISITION