

**FUNDING LOAN AGREEMENT**

**among**

**INTERNATIONAL BANK OF COMMERCE,  
as Initial Funding Lender**

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS,  
as Governmental Lender**

**and**

**WILMINGTON TRUST, NATIONAL ASSOCIATION,  
as Fiscal Agent**

**Relating to  
MURDEAUX VILLAS  
Dallas, Texas**

**Funding Loan Principal Amount: \$[5,000,000]**

**Dated as of [\_\_\_\_\_] 1, 2026**

## Table of Contents

### **Page**

#### ARTICLE I. DEFINITIONS

Section 1.01.	Definitions.....	3
Section 1.02.	Interpretation .....	12

#### ARTICLE II. THE FUNDING LOAN

Section 2.01.	Terms .....	13
Section 2.02.	Pledged Security .....	14
Section 2.03.	Limited Obligations .....	15
Section 2.04.	Funding Loan Agreement Constitutes Contract.....	16
Section 2.05.	Form and Execution .....	16
Section 2.06.	Authentication .....	18
Section 2.07.	Mutilated, Lost, Stolen or Destroyed Governmental Note .....	18
Section 2.08.	Registration; Transfer of Governmental Note and Funding Loan; Transferee Representations Letter.....	18
Section 2.09.	Intentionally Omitted .....	19
Section 2.10.	Funding Loan Closing Conditions; Delivery of Governmental Note .....	19
Section 2.11.	Establishment of Project Loan Fund; Application of Funding Loan Proceeds and Other Money .....	20
Section 2.12.	Intentionally omitted .....	21
Section 2.13.	Intentionally omitted .....	21

#### ARTICLE III. PREPAYMENT OF THE FUNDING LOAN

Section 3.01.	Prepayment of the Funding Loan Prior to Maturity/Redemption of the Governmental Note.....	21
Section 3.02.	Notice of Prepayment.....	22

ARTICLE IV.  
REVENUES AND FUNDS

Section 4.01.	Pledge of Revenues and Assets; Establishment of Funds.....	22
Section 4.02.	Project Loan Fund.....	23
Section 4.03.	Application of Revenues.....	25
Section 4.04.	Application of Loan Payment Fund.....	26
Section 4.05.	Application of Loan Prepayment Fund.....	26
Section 4.06.	Administration Fund.....	27
Section 4.07.	[Reserved].....	27
Section 4.08.	Investment of Funds.....	27
Section 4.09.	[Reserved].....	28
Section 4.10.	Accounting Records.....	28
Section 4.11.	Amounts Remaining in Funds.....	28
Section 4.12.	Rebate Fund.....	29
Section 4.13.	Cost of Issuance Fund.....	29
Section 4.14.	Reports From the Fiscal Agent.....	29

ARTICLE V.  
GENERAL COVENANTS AND REPRESENTATIONS

Section 5.01.	Payment of Principal and Interest.....	30
Section 5.02.	Performance of Covenants.....	30
Section 5.03.	Instruments of Further Assurance.....	30
Section 5.04.	Inspection of Project Books.....	31
Section 5.05.	No Modification of Security; Additional Indebtedness.....	31
Section 5.06.	Damage, Destruction or Condemnation.....	31
Section 5.07.	Tax Covenants.....	31
Section 5.08.	Representations and Warranties of the Governmental Lender.....	32

Section 5.09.	State Law Verifications.....	32
---------------	------------------------------	----

ARTICLE VI.  
DEFAULT PROVISIONS AND REMEDIES OF FISCAL AGENT AND FUNDING  
LENDER

Section 6.01.	Events of Default.....	34
Section 6.02.	Acceleration; Other Remedies Upon Event of Default.....	35
Section 6.03.	Funding Lender Control of Proceedings .....	36
Section 6.04.	Waiver by Governmental Lender.....	36
Section 6.05.	Application of Money After Default.....	37
Section 6.06.	Remedies Not Exclusive .....	37
Section 6.07.	Fiscal Agent May Enforce Rights Without Governmental Note .....	37
Section 6.08.	[Reserved] .....	38
Section 6.09.	Termination of Proceedings .....	38
Section 6.10.	Waivers of Events of Default.....	38
Section 6.11.	Interest on Unpaid Amounts and Default Rate for Nonpayment.....	38
Section 6.12.	Assignment of Project Loan; Remedies Under the Project Loan .....	38
Section 6.13.	Substitution .....	39

ARTICLE VII.  
CONCERNING THE FISCAL AGENT

Section 7.01.	Standard of Care.....	39
Section 7.02.	Reliance Upon Documents.....	41
Section 7.03.	Use of Proceeds.....	43
Section 7.04.	[Reserved] .....	43
Section 7.05.	Trust Imposed .....	43
Section 7.06.	Compensation of Fiscal Agent.....	43
Section 7.07.	Qualifications of Fiscal Agent .....	44

Section 7.08.	Merger of Fiscal Agent .....	45
Section 7.09.	Resignation by the Fiscal Agent .....	45
Section 7.10.	Removal of the Fiscal Agent.....	45
Section 7.11.	Appointment of Successor Fiscal Agent.....	46
Section 7.12.	Concerning Any Successor Fiscal Agent.....	46
Section 7.13.	Successor Fiscal Agent .....	46
Section 7.14.	Appointment of Co-Fiscal Agent or Separate Fiscal Agent .....	47
Section 7.15.	Notice of Certain Events .....	49
Section 7.16.	[Reserved] .....	49
Section 7.17.	Filing of Financing Statements .....	49
Section 7.18.	USA Patriot Act Requirements of the Fiscal Agent .....	49

#### ARTICLE VIII. AMENDMENTS OF CERTAIN DOCUMENTS

Section 8.01.	Amendments to this Funding Loan Agreement .....	49
Section 8.02.	Amendments to Financing Documents Require Consent of Funding Lender .....	49
Section 8.03.	Opinion of Bond Counsel Required.....	49

#### ARTICLE IX. SATISFACTION AND DISCHARGE OF FUNDING LOAN AGREEMENT

Section 9.01.	Discharge of Lien.....	50
Section 9.02.	Discharge of Liability on Funding Loan.....	51
Section 9.03.	Payment of Funding Loan After Discharge of Funding Loan Agreement.....	51

#### ARTICLE X. intentionally omitted

#### ARTICLE XI. MISCELLANEOUS

Section 11.01.	Intentionally omitted .....	52
----------------	-----------------------------	----

Section 11.02.	Limitation of Rights .....	52
Section 11.03.	Construction of Conflicts; Severability.....	52
Section 11.04.	Notices .....	52
Section 11.05.	Intentionally omitted .....	54
Section 11.06.	Payments Due on Non-Business Days.....	54
Section 11.07.	Counterparts .....	54
Section 11.08.	Laws Governing Funding Loan Agreement.....	54
Section 11.09.	No Recourse .....	55
Section 11.10.	Successors and Assigns.....	55

<b>EXHIBIT A</b>	<b>FORM OF GOVERNMENTAL NOTE</b>
<b>EXHIBIT B</b>	<b>FORM OF NOTICE OF APPOINTMENT OF FUNDING LENDER REPRESENTATIVE</b>
<b>EXHIBIT C</b>	<b>FORM OF TRANSFEREE REPRESENTATIONS LETTER</b>
<b>EXHIBIT D</b>	<b>COST OF ISSUANCE REQUISITION</b>
<b>EXHIBIT E</b>	<b>PROJECT LOAN FUND REQUISITION</b>

## FUNDING LOAN AGREEMENT

**THIS FUNDING LOAN AGREEMENT** (as amended, restated or supplemented from time to time, this “**Funding Loan Agreement**”), is made and entered into as of [\_\_\_\_\_] 1, 2026, by and among **INTERNATIONAL BANK OF COMMERCE**, a Texas state banking corporation, in its capacity as Initial Funding Lender (the “**Initial Funding Lender**”), **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS** (the “**Governmental Lender**”), a public and official agency of the State of Texas (the “**State**”), and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association, organized and operating under the laws of the United States of America, having a corporate trust office in Dallas, Texas, as Fiscal Agent (the “**Fiscal Agent**”). Capitalized terms are defined in Section 1.01 of this Funding Loan Agreement.

### RECITALS

A. Pursuant to Chapter 2306, Texas Government Code, as amended (the “**Act**”) and the Project Loan Agreement dated as of the date hereof (as amended, restated or supplemented from time to time, the “**Project Loan Agreement**”) by and among the Governmental Lender, the Fiscal Agent and Murdeaux Rehab Development, LP, a limited partnership duly organized and existing under the laws of the State of Texas (the “**Borrower**”), the Governmental Lender is agreeing to make a mortgage loan to the Borrower in the original principal amount of \$[5,000,000] (the “**Project Loan**”) to provide for the financing of the herein defined Project.

B. The Governmental Lender is making the Project Loan to the Borrower with the proceeds received from the separate loan made to the Governmental Lender pursuant to this Funding Loan Agreement in the original principal amount of \$[5,000,000] (the “**Funding Loan**” and together with the Project Loan, the “**Loans**”). The Funding Loan is evidenced by the Multifamily Note as of the date hereof in the form attached hereto as Exhibit A (as amended, restated or supplemented from time to time, the “**Governmental Note**”) delivered by the Governmental Lender to the Initial Funding Lender.

C. The Initial Funding Lender, pursuant to the terms and subject to the conditions of this Funding Loan Agreement and the Continuing Covenant Agreement, has agreed to originate and fund the Funding Loan to the Governmental Lender, which proceeds of the Funding Loan will be used by the Governmental Lender to fund the Project Loan to the Borrower pursuant to the Project Loan Agreement. The Initial Funding Lender will administer the Loans in accordance with the Financing Documents.

D. The Borrower has agreed to use the proceeds of the Project Loan to finance the acquisition, rehabilitation and equipping of the Project [and to pay certain closing costs with respect to the Loans].

E. The Borrower’s repayment obligations in respect of the Project Loan will be evidenced by a Project Note dated as of the date hereof (as amended, restated or supplemented from time to time, the “**Project Note**”) delivered to the Governmental Lender, which Project Note will be endorsed by the Governmental Lender to the Fiscal Agent as security for the Funding Loan.

F. To secure the Borrower’s obligations under the Project Note, the Borrower will

execute and deliver to the Governmental Lender a Leasehold Multifamily Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing dated as of the date hereof (as amended, restated or supplemented from time to time, the “**Security Instrument**”) with respect to the Project, which Security Instrument will be assigned by the Governmental Lender to the Fiscal Agent as security for the Funding Loan and the Governmental Note.

G. The Governmental Lender has previously issued its Multifamily Note (Murdeaux Villas), Series 2021 in the original aggregate principal amount of \$35,000,000 (the “**Series 2021 Governmental Note**” and collectively with the Governmental Note, the “**Obligations**”) to provide financing for the acquisition, rehabilitation and equipping of the Project.

H. Reserved.

I. Reserved.

J. Reserved.

K. Reserved.

L. The Governmental Lender has determined that all things necessary to incur the Funding Loan and to execute and deliver the Governmental Note, when executed by the Governmental Lender and authenticated by the Fiscal Agent and issued in accordance with this Funding Loan Agreement, the valid, binding and legal obligation of the Governmental Lender and to constitute this Funding Loan Agreement a valid lien on the properties, interests, revenues and payments herein pledged to the payment of the principal of, premium, if any, and interest on, the Governmental Note, have been duly taken, and the creation, execution and delivery of this Funding Loan Agreement and the execution and delivery of the Governmental Note, subject to the terms of this Funding Loan Agreement, have been duly authorized by the Governmental Lender.

M. The Fiscal Agent has the power and authority to enter into this Funding Loan Agreement, including corporate trust powers to accept the trusts hereunder and to accept and assume its other responsibilities hereunder as Fiscal Agent as evidenced by its execution of this Funding Loan Agreement.

N. The Borrower is entering into an Amended and Restated Regulatory and Land Use Restriction Agreement (the “**Tax Regulatory Agreement**”) with the Governmental Lender, the Fee Owner (as defined herein) and the Fiscal Agent, which sets forth various requirements with respect to the Project and will be filed of record in the real property records of Dallas County, Texas.

O. The Borrower is entering into the Tax Exemption Certificate and Agreement (the “**Tax Exemption Agreement**”) with the Governmental Lender and the Fiscal Agent, pursuant to which the Borrower will make certifications, representations and covenants relating to the treatment of the interest on the Obligations as exempt from gross income for federal income tax purposes.



**NOW, THEREFORE**, in consideration of the premises and of the origination and funding of the Funding Loan by the Funding Lender, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

## **ARTICLE I.**

### **DEFINITIONS**

Section 1.01. **Definitions.** The terms used in this Funding Loan Agreement (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Funding Loan Agreement and of any amendment or supplement hereto shall have the respective meanings specified below. Terms used herein not otherwise defined shall have the respective meanings set forth in the Project Loan Agreement, the Tax Regulatory Agreement or the Tax Exemption Agreement.

“*Act*” is defined in the Recitals of this Funding Loan Agreement.

“*Administration Fund*” means the Administration Fund established by the Fiscal Agent pursuant to Section 4.01 hereof.

“*Assignment*” means the Assignment of Security Instrument dated as of the date hereof by the Governmental Lender assigning its interest in the Security Instrument to the Fiscal Agent.

“*Authorized Amount*” shall mean \$[5,000,000], the principal amount of the Funding Loan authorized under this Funding Loan Agreement.

“*Authorized Officer*” means (a) when used with respect to Governmental Lender, the Chair or Vice Chair of the Board, the Executive Director of the Governmental Lender, the Director of Financial Administration of the Governmental Lender, the Deputy Executive Director – Housing Finance of the Governmental Lender, the Director of Multifamily Bonds of the Governmental Lender, and the Secretary or Assistant Secretary to the Board and any other officer or employee of the Governmental Lender designated by certificate of any of the foregoing or authorized by the Governmental Lender in writing to act on its behalf, (b) when used with respect to the Borrower, any officer of the general partner of the Borrower and such additional Person or Persons, if any, duly designated by the Borrower in writing to act on its behalf, (c) when used with respect to the Fiscal Agent, any authorized signatory of the Fiscal Agent, or any Person who is authorized in writing to take the action in question on behalf of the Fiscal Agent, and (d) when used with respect to the Funding Lender, any Person who is authorized in writing to take the action in question on behalf of the Funding Lender.

“*Bankruptcy Code*” means Title 11 of the United States Code entitled “Bankruptcy,” as now and hereafter in effect, or any successor federal statute.

“*Board*” means the Governing Board of the Governmental Lender.

“*Bond Counsel*” means (a) on the Delivery Date, the law firm or law firms delivering the approving opinion(s) with respect to the Governmental Note, and initially means Bracewell LLP, or (b) any other firm of attorneys selected by the Governmental Lender that is experienced in matters relating to the issuance of obligations by states and their political subdivisions that is listed

as municipal bond attorneys in The Bond Buyer's Municipal Marketplace and is acceptable to the Funding Lender.

*"Bond Year"* shall have the meaning ascribed thereto in the Tax Exemption Agreement.

*"Borrower"* is defined in the Recitals of this Funding Loan Agreement.

*"Borrower Equity Account"* means the Borrower Equity Account of the Project Loan Fund established by the Fiscal Agent pursuant to Section 2.11 hereof.

*"Borrower Equity Deposit"* means an amount specified in the Closing Memorandum, which shall be comprised of sources other than the proceeds of the Project Loan.

*"Business Day"* means any day other than (a) a Saturday or a Sunday, or (b) a day on which (i) banking institutions in the City of New York or in the city in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed or (ii) the New York Stock Exchange is closed.

*"Certificate of the Governmental Lender"* and *"Request of the Governmental Lender"* mean, respectively, a written certificate or request signed in the name of the Governmental Lender by an Authorized Officer of the Governmental Lender or such other Person as may be designated and authorized to sign for the Governmental Lender. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

*"Closing Memorandum"* means the [Closing Memorandum] signed by Borrower with respect to the initial disbursement of Funding Loan proceeds and other amounts specified therein.

*"Code"* means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent and successor Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

*"Comptroller"* means the Comptroller of Public Accounts of the State of Texas.

*"Construction Loan Documents"* means the Continuing Covenant Agreement and all other documents delivered to Initial Funding Lender or for the benefit of Governmental Lender evidencing, securing or governing the Funding Loan or the Project Loan.

*"Continuing Covenant Agreement"* means the [Disbursement Agreement] dated as of [\_\_\_\_\_] 1, 2026 by and between the Borrower and the Initial Funding Lender, as the same may be amended, modified or supplemented from time to time.

*"Cost," "Costs" or "Costs of the Project"* with respect to the Project shall be deemed to include all items permitted to be financed under the provisions of the Code and the Act.

*“Cost of Issuance Fund”* means the Cost of Issuance Fund established by the Fiscal Agent pursuant to Section 4.01 hereof.

*“Costs of Issuance”* shall have the meaning ascribed thereto in the Tax Exemption Agreement.

*“Costs of Issuance Deposit”* means the deposit to be made by the Borrower with the Fiscal Agent on the Delivery Date, which deposit shall be specified in the Closing Memorandum and shall be comprised of sources other than the proceeds of the Project Loan.

*“Default Rate”* means the lesser of (i) eighteen percent (18%) per annum, or (ii) the Maximum Interest Rate.

*“Delivery Date”* means the date of funding of the Funding Loan and the delivery of the Governmental Note by the Governmental Lender to the Initial Funding Lender.

*“Determination of Taxability”* shall mean, (a) a determination by the Commissioner or any District Director of the Internal Revenue Service, (b) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service in which Governmental Lender and Borrower were afforded the opportunity to participate, (c) a determination by any court of competent jurisdiction, (d) the enactment of legislation which has become effective or (e) receipt by Fiscal Agent or Funding Lender, at the request of Governmental Lender, Borrower, Fiscal Agent or Funding Lender, of an opinion of Bond Counsel, in each case to the effect that the interest on the Governmental Note is includable in gross income for federal income tax purposes of the Funding Lender or any former Funding Lender, other than a Funding Lender or a holder of the Governmental Note who is a “substantial user” of the Project or a “related person” (as such terms are defined in Section 147(a) of the Code) of such a “substantial user”; provided, however, that no such Determination of Taxability under clause (a), (b) or (c) shall be deemed to have occurred if the Governmental Lender (at the sole expense of the Borrower) or the Borrower is contesting such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (i) a final determination from which no appeal may be taken with respect to such determination, or (ii) abandonment of such appeal by the Governmental Lender or the Borrower, as the case may be.

*“Electronic Notice”* means delivery of notice in a Word format or a Portable Document Format (PDF) by electronic mail to the electronic mail addresses listed in Section 11.04 hereof; provided, that if a sender receives notice that the electronic mail is undeliverable, notice must be sent as otherwise required by Section 11.04 hereof.

*“Event of Default”* means any of those events specified in and defined by the applicable provisions of Article VI hereof to constitute an Event of Default.

*“Extraordinary Services”* means and includes, but not by way of limitation, services, actions and things carried out and all expenses incurred by the Fiscal Agent, in respect of or to prevent default under this Funding Loan Agreement or the Project Loan Documents, including any reasonable attorneys’ or agents’ fees and expenses and other litigation costs that are entitled to reimbursement under the terms of the Project Loan Agreement, and other actions taken and carried

out by the Fiscal Agent which are not expressly set forth in this Funding Loan Agreement or the Project Loan Documents.

*“Extraordinary Fiscal Agent’s Fees and Expenses”* means all those fees, expenses and reimbursements earned or incurred by the Fiscal Agent as described under Section 7.06 hereof during any Bond Year for Extraordinary Services, as set forth in a detailed invoice to the Borrower, and the Funding Lender.

*“Fair Market Value”* means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term *“Fair Market Value”* means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (a) the investment is a certificate of deposit that is acquired in accordance with Section 1.148-5(d)(6)(ii) of the Regulations, (b) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with Section 1.148-5(d)(6)(iii) of the Regulations, (c) the investment is a United States Treasury Security–State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (d) any commingled investment fund in which the Governmental Lender and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of investment.

*“Favorable Opinion of Bond Counsel”* means, with respect to any action, or omission of an action, the taking or omission of which requires such an opinion, an unqualified written opinion of Bond Counsel to the effect that such action or omission does not adversely affect the Federal Tax Status of the Governmental Note (subject to the inclusion of any exceptions contained in the opinion of Bond Counsel delivered upon the original issuance of the Governmental Note or other customary exceptions acceptable to the recipient(s) thereof).

*“Federal Tax Status”* means, as to the Governmental Note, the status under existing law of the interest on the Governmental Note as excludable from gross income for federal income tax purposes (except on the Governmental Note for any period during which it is held by a “substantial user” of the Project or by a “related person” of such a “substantial user,” each within the meaning of Section 147(a) of the Code).

*“Fee Component”* has the meaning set forth in the Project Loan Agreement.

*“Fee Owner”* has the meaning set forth in the Tax Regulatory Agreement.

*“Financing Documents”* means, collectively, this Funding Loan Agreement, the Governmental Note, the Tax Exemption Agreement, the Construction Loan Documents, the Project Loan Documents and all other documents or instruments evidencing, securing or relating to the Loans.

*“Fiscal Agent”* means Wilmington Trust, National Association, a national banking association and its successors hereunder.

“*Funding Lender*” means any Person who is the holder of the Governmental Note.

“*Funding Loan*” is defined in the Recitals of this Funding Loan Agreement.

“*Government Obligations*” means investments meeting the requirements of clause (a) or (b) of the definition of “Qualified Investments” herein.

“*Governmental Lender*” is defined in the first paragraph of this Funding Loan Agreement.

“*Governmental Lender Administration Fee*” means the fee payable annually in advance to the Governmental Lender on each May 1, in the amount of .10% per annum of the aggregate principal amount of the Governmental Note outstanding at the inception of each payment period, as such fee is further described in the 2021 Funding Loan Agreement.

“*Governmental Lender Compliance Fee*” means the fee payable annually in advance to the Governmental Lender on each May 1, in the amount of \$25 per Low-Income Unit (as defined in the Regulatory Agreement) in the Project, for the duration of the State Restrictive Period (as defined in the Regulatory Agreement), as such fee is further described in the 2021 Funding Loan Agreement. The Governmental Lender Compliance Fee is for bond compliance only, and an additional fee may be charged for tax credit compliance.

“*Governmental Lender Fees*” means, collectively, the Governmental Lender Administration Fee and the Governmental Lender Compliance Fee.

“*Governmental Note*” is defined in the Recitals of this Funding Loan Agreement.

“*Initial Debt Service Deposit*” means an amount equal to the sum of (i) the interest payable on the Funding Loan, and (ii) the ongoing fees payable with respect to the Project Loan (as provided in Section 4.02 of the Project Loan Agreement), in each case for the period commencing on the Delivery Date to but not including the first day of the calendar month immediately succeeding the Delivery Date.

“*Initial Funding Lender*” means International Bank of Commerce, a Texas state banking corporation, as initial holder of the Governmental Note.

“*Initial Note*” means the initial Governmental Note registered by the Comptroller and subsequently canceled and replaced by a definitive Governmental Note pursuant to this Funding Loan Agreement.

“*Interest Payment Date*” means (i) the first day of each calendar month, commencing [ ] 1, 2026, (ii) the date of any prepayment of the Funding Loan, but only with respect to the portion of the Funding Loan subject to prepayment, (iii) *Reserved*, and (iv) the Maturity Date.

“*Interest Rate*” means fixed rate of 6.25% per annum.

“*Investment Income*” means the earnings and profits derived from the investment of money pursuant to Section 4.08 hereof.

“*Loans*” means, together, the Project Loan and the Funding Loan.

“*Loan Payment Fund*” means the Loan Payment Fund established by the Fiscal Agent pursuant to Section 4.01 hereof.

“*Loan Prepayment Fund*” means the Loan Prepayment Fund established by the Fiscal Agent pursuant to Section 4.01 hereof.

“*Maturity Date*” means the maturity date of the Funding Loan set forth in Section 2.01(e) hereof.

“*Maximum Interest Rate*” means the rate of interest which results in the maximum amount of interest allowed by applicable law pursuant to Chapter 1204 of the Texas Government Code.

“*Moody’s*” means Moody’s Investors Service, Inc., its successors and assigns, if such successors and assigns continue to perform the services of a securities rating agency.

“*Net Casualty Proceeds*” when used with respect to any insurance or condemnation award, means the proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all reasonable expenses incurred in the collection of such insurance proceeds or condemnation award, including reasonable attorneys’ fees.

“*New York Prime Rate*” means the annual lending rate of interest announced from time to time by JP Morgan Chase & Co., New York, New York, as its prime rate.

“*Notes*” means, together, the Project Note and the Governmental Note.

“*Ordinary Fiscal Agent’s Fees and Expenses*” means the annual administration fee for the Fiscal Agent’s ordinary fees and expenses in rendering its services under this Funding Loan Agreement during each twelve month period, which fee is equal to \$[\_\_\_\_\_] and shall be payable annually in advance on the Delivery Date and each annual anniversary thereof.

“*Organizational Documents*” means the Amended and Restated Limited Partnership Agreement of the Borrower dated as of the Delivery Date, as the same may be amended, modified, supplemented or restated from time to time.

“*Person*” means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated association, a limited liability company or a government or any agency or political subdivision thereof, or any other organization or entity (whether governmental or private).

“*Pledged Security*” shall have the meaning given to that term in Section 2.02 hereof.

“*Prepayment Premium*” shall mean any premium payable hereunder in connection with a prepayment of the Funding Loan, which premium shall be in an amount equal to the amount of premium payable by the Borrower under the Project Note, if any, in connection with a prepayment of the Project Loan.

*“Principal Office of the Fiscal Agent”* means the office of the Fiscal Agent referenced in Section 11.04(a) hereof, or such other office or offices as the Fiscal Agent may designate in writing from time to time, or the office of any successor Fiscal Agent where it principally conducts its business of serving as Fiscal Agent under indentures pursuant to which municipal or governmental obligations are issued.

*“Project”* means, collectively, the land and residential rental apartment units, and related fixtures, equipment, furnishings and site improvements to be known as Murdeaux Villas located in Dallas, Texas, including the real estate described in the Security Instrument.

*“Project Account”* means the Project Account of the Project Loan Fund established by the Fiscal Agent pursuant to Section 2.11 hereof.

*“Project Loan”* is defined in the Recitals of this Funding Loan Agreement.

*“Project Loan Agreement”* is defined in the Recitals of this Funding Loan Agreement.

*“Project Loan Documents”* means the Security Instrument, the Project Note, the Project Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement, the Assignment, the Continuing Covenant Agreement, any Subordination Agreement(s) and any and all other instruments and other documents evidencing, securing, or otherwise relating to the Project Loan or any portion thereof.

*“Project Loan Fund”* means the Project Loan Fund established by the Fiscal Agent pursuant to Section 2.11 hereof.

*“Project Note”* is defined in the Recitals of this Funding Loan Agreement.

*“Qualified Investments”* means any of the following if and to the extent permitted by law: (a) direct and general obligations of the United States of America; (b) obligations of any agency or instrumentality of the United States of America the payment of the principal of and interest on which are unconditionally guaranteed by the full faith and credit of the United States of America; (c) senior debt obligations of Freddie Mac; (d) senior debt obligations of Fannie Mae; (e) demand deposits or time deposits with, or certificates of deposit issued by, the Fiscal Agent or its affiliates or any bank organized under the laws of the United States of America or any state or the District of Columbia which has combined capital, surplus and undivided profits of not less than \$50,000,000; provided that the Fiscal Agent or such other institution has been rated at least “VMIG-1”/“A-1+” by Moody’s or S&P which deposits or certificates are fully insured by the Federal Deposit Insurance Corporation or collateralized pursuant to the requirements of the Office of the Comptroller of the Currency; (f) investment agreements with a bank or any insurance company or other financial institution which has a rating assigned by Moody’s or S&P to its outstanding long-term unsecured debt which is the highest rating (as defined below) for long-term unsecured debt obligations assigned by Moody’s or S&P, and which are approved by the Funding Lender; (g) shares or units in any money market mutual fund rated “Aaa”/“AAA” by Moody’s or S&P (or if a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security) (including mutual funds of the Fiscal Agent or its affiliates or for which the Fiscal Agent or an affiliate thereof serves as investment advisor or provides other services to such mutual fund receives reasonable compensation therefor) registered

under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of (A) direct obligations of the government of the United States of America, or (B) tax exempt obligations; (h)(i) tax-exempt obligations rated in the highest short term rating category by Moody's or S&P, or (ii) shares of a tax-exempt municipal money market mutual fund or other collective investment fund registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933, having assets of at least \$100,000,000, and having a rating of "Aaa"/"AAA" by Moody's or S&P (or if a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security), for which at least 95% of the income paid to the holders on interest in such money market fund will be excludable from gross income under Section 103 of the Code, including money market funds for which the Fiscal Agent or its affiliates receive a fee for investment advisory or other services to the fund; or (i) any other investments approved in writing by the Funding Lender. For purposes of this definition, the "highest rating" shall mean a rating of at least "VMIG-1"/"A-1+" for obligations with less than one year maturity; at least "Aaa"/"VMIG-1"/"AAA"/"A-1+" for obligations with a maturity of one year or greater but less than three years; and at least "Aaa"/"AAA" for obligations with a maturity of three years or greater. Qualified Investments must be limited to instruments that have a predetermined fixed-dollar amount of principal due at maturity that cannot vary or change and interest, if tied to an index, shall be tied to a single interest rate index plus a single fixed spread, if any, and move proportionately with such index.

"*Rating Agency*" means Moody's or S&P, as applicable, or any successor rating service thereof.

"*Rebate Analyst*" shall have the meaning ascribed thereto in the Tax Exemption Agreement.

"*Rebate Fund*" means the Rebate Fund established by the Fiscal Agent pursuant to Section 4.01 hereof.

"*Requisition*" means, with respect to the Project Loan Fund, the requisition in the form of **Exhibit E** to this Funding Loan Agreement required to be submitted in connection with disbursements from the Project Account and/or the Borrower Equity Account of the Project Loan Fund, and with respect to the Cost of Issuance Fund, the requisition in the form of **Exhibit D** to this Funding Loan Agreement required to be submitted in connection with disbursements from the Cost of Issuance Fund.

"*Resolution*" means the resolution adopted by the Governmental Lender authorizing the Funding Loan, the Project Loan and the execution and delivery of the Financing Documents to which it is a party.

"*Responsible Officer*" means any officer of the Fiscal Agent employed within or otherwise having regular responsibility in connection with the corporate trust department of the Fiscal Agent and the trusts created hereunder.

"*Revenue Fund*" means the Revenue Fund established by the Fiscal Agent pursuant to Section 4.01 hereof.



“*Revenues*” means (a) all payments made with respect to the Project Loan pursuant to the Project Loan Agreement, the Project Note or the Security Instrument, including but not limited to all casualty or other insurance benefits and condemnation awards paid in connection therewith and all payments obtained through the exercise of remedies under the Financing Documents, and (b) all money and securities held by the Fiscal Agent in the funds and accounts established pursuant to this Funding Loan Agreement (excluding money or securities designated for deposit into and held in the Cost of Issuance Fund, the Administration Fund and the Rebate Fund), together with all investment earnings thereon.

“*Security Instrument*” is defined in the Recitals of this Funding Loan Agreement.

“*Series 2021 Funding Loan Agreement*” means the Funding Loan Agreement dated as of December 1, 2021, among the Governmental Lender, the Funding Lender and the Fiscal Agent, relating to the issuance of the Series 2021 Governmental Note, as it may be amended, supplemented or replaced from time to time including by any funding loan agreement supplemental thereto.

“*Series 2021 Governmental Note*” is defined in the Recitals of this Funding Loan Agreement.

“*Series 2021 Project Loan Agreement*” means the Project Loan Agreement dated as of December 1, 2021, between the Governmental Lender, the Fiscal Agent and Borrower, as it may be amended, modified, supplemented or restated from time to time to the extent permitted by the Series 2021 Funding Loan Agreement.

“*Series 2021 Project Note*” means the Multifamily Note dated as of the Closing Date for the Series 2021 Governmental Note in the original principal amount of \$35,000,000, made by Borrower and payable to Governmental Lender, as endorsed and assigned to the Fiscal Agent, as it may be amended, supplemented or replaced from time to time.

“*Series 2021 Security Instrument*” means the Leasehold Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Texas) dated as of December 1, 2021, from the Borrower, as the grantor, in favor of Governmental Lender, as the beneficiary, as the same may be supplemented, amended or modified.

“*S&P*” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and its successors and assigns, if such successors and assigns continue to perform the services of a securities rating agency.

“*State*” means the State of Texas.

“*Subordination Agreement*” means any subordination or intercreditor agreement(s) entered into with respect to any subordinate financing related to the Project, as the same may be amended, supplemented or restated.

“*Tax Credit Investor*” means 42EP Bridge Fund II, LP, a Delaware limited partnership, and its successors and assigns in such capacity pursuant to the Organizational Documents.

“*Tax Exemption Agreement*” is defined in the Recitals of this Funding Loan Agreement.

“*Tax Regulatory Agreement*” is defined in the Recitals of this Funding Loan Agreement.

“*Transferee Representations Letter*” has the meaning set forth in Section 2.08 hereof.

“*Unassigned Rights*” means (a) all of the Governmental Lender’s right, title and interest in and to all reimbursement, costs, expenses and indemnification; (b) the right of the Governmental Lender to receive amounts payable to it pursuant to Section 4.02 of the Project Loan Agreement, including the Governmental Lender Fees; (c) all rights of the Governmental Lender to receive any Rebate Amount (as defined in the Tax Exemption Agreement) required to be rebated to the United States of America under the Code in connection with the Governmental Note, as described in the Tax Exemption Agreement; (d) all rights of the Governmental Lender to receive notices, reports or other information, and to make determinations and grant approvals or consent hereunder and under the Project Loan Agreement, the Tax Regulatory Agreement and the Tax Exemption Agreement; (e) all rights of the Governmental Lender of access to the Project and documents related thereto and to specifically enforce the representations, warranties, covenants and agreements of the Borrower set forth in the Project Loan Agreement, in the Tax Exemption Agreement and in the Tax Regulatory Agreement; (f) any and all rights, remedies and limitations of liability of the Governmental Lender set forth in this Funding Loan Agreement, the Project Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement, and the Project Loan Documents, as applicable, regarding (1) the negotiability, registration and transfer of the Governmental Note, (2) the loss or destruction of the Governmental Note, (3) the limited liability of the Governmental Lender as provided in the Act, this Funding Loan Agreement, the Project Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement, and the Project Loan Documents, (4) no liability of the Governmental Lender to third parties, and (5) no warranties of suitability or merchantability by the Governmental Lender; (g) all rights of the Governmental Lender in connection with any amendment to or modification of this Funding Loan Agreement, the Project Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement, and the Project Loan Documents; and (h) any and all limitations of the Governmental Lender’s liability and the Governmental Lender’s disclaimers of warranties set forth in this Funding Loan Agreement, the Tax Regulatory Agreement, the Tax Exemption Agreement or the Project Loan Agreement, and the Governmental Lender’s right to inspect and audit the books, records and permits of the Borrower and the Project.

“*Window Period*” means the three (3) consecutive month period prior to the Maturity Date.

Section 1.02. ***Interpretation.*** The words “hereof,” “herein,” “hereunder,” and other words of similar import refer to this Funding Loan Agreement as a whole and not to any particular Article, Section or other subdivision. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time. References to Articles, Sections, and other subdivisions of this Funding Loan Agreement are to the designated Articles, Sections and other subdivisions of this Funding Loan Agreement as

originally executed. The headings of this Funding Loan Agreement are for convenience only and shall not define or limit the provisions hereof.

## **ARTICLE II.**

### **THE FUNDING LOAN**

#### **Section 2.01.   *Terms.***

(a)     The Governmental Note shall be issued and the Funding Loan shall be originated and funded on the Delivery Date in the original principal amount of \$[5,000,000] with funds provided in accordance with Section 2.01(b). The proceeds of the Funding Loan shall be deposited with the Fiscal Agent and disbursed in accordance with this Funding Loan Agreement. The Funding Loan shall be evidenced by the Governmental Note and shall bear interest and be paid in accordance with the payment terms set forth in the Governmental Note and this Funding Loan Agreement.

(b)     The proceeds of the Funding Loan shall be advanced by the Initial Funding Lender directly to the Fiscal Agent for deposit to the Project Account and the Cost of Issuance Fund on the Delivery Date in accordance with Section 2.11(b).

(c)     ***[Reserved].***

(d)     Except as otherwise provided in Section 6.11, the Governmental Note and the Funding Loan shall bear interest payable on each Interest Payment Date at the Interest Rate. Interest on the Governmental Note and the Funding Loan shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

(e)     The Funding Loan and the Governmental Note shall mature on [MATURITY DATE], subject to optional and mandatory prepayment prior to maturity as provided in Article III hereof. All unpaid principal and all accrued and unpaid interest outstanding under the Funding Loan shall be due and payable on the Maturity Date.

(f)     Payment of principal of, premium, if any, and interest on the Funding Loan shall be paid by wire transfer in immediately available funds to an account within the United States of America designated by such Funding Lender (unless otherwise directed by the Funding Lender).

(g)     On or before the date fixed for payment, money shall be deposited with the Fiscal Agent to pay, and the Fiscal Agent is hereby authorized and directed to apply such money to the payment of, the Funding Loan, together with accrued interest thereon to the date of payment.

(h)     The Governmental Lender intends to conform strictly to the usury laws applicable to this Funding Loan Agreement and the Governmental Note and all agreements made in the Governmental Note, this Funding Loan Agreement and the Financing Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid as interest or the amounts paid for the use of money advanced or to be advanced hereunder exceed the highest lawful rate prescribed under any law which a court of competent jurisdiction may deem applicable hereto including Chapter 1204 of the Texas Government Code and other applicable laws of the State of

Texas. If, from any circumstances whatsoever, the fulfillment of any provision of the Governmental Note, this Funding Loan Agreement or the other Financing Documents shall involve the payment of interest in excess of the limit prescribed by any law which a court of competent jurisdiction may deem applicable hereto, then the obligation to pay interest hereunder shall be reduced to the maximum limit prescribed by law. If from any circumstances whatsoever, the Funding Lender shall ever receive anything of value deemed interest, the amount of which would exceed the highest lawful rate, such amount as would be excessive interest shall be deemed to have been applied, as of the date of receipt by the Funding Lender, to the reduction of the principal remaining unpaid hereunder and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance, such excess shall be refunded to the Borrower. In no event shall the interest on the Governmental Note exceed the Maximum Interest Rate. This paragraph shall control every other provision of the Governmental Note, this Funding Loan Agreement and all other Financing Documents.

In determining whether the amount of interest charged and paid might otherwise exceed the limit prescribed by law, the Governmental Lender intends and agrees that (i) interest shall be computed upon the assumption that payments under the Project Loan Agreement and the Financing Documents will be paid according to the agreed terms, and (ii) any sums of money that are taken into account in the calculation of interest, even though paid at one time, shall be spread over the actual term of the Governmental Note.

(i) In no contingency or event whatsoever shall the aggregate of all amounts deemed interest hereunder and charged or collected pursuant to the terms of this Funding Loan Agreement exceed the Maximum Interest Rate. In the event that such court determines the Funding Lender has charged or received interest hereunder in excess of the highest applicable rate, the Funding Lender shall apply, in its sole discretion, and set off such excess interest received by the Funding Lender against other obligations due or to become due under the Financing Documents and such rate shall automatically be reduced to the Maximum Interest Rate.

(j) Notwithstanding any other provision of this Funding Loan Agreement to the contrary, **THE GOVERNMENTAL LENDER SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON, THE GOVERNMENTAL NOTE SOLELY OUT OF THE PLEDGED SECURITY, INCLUDING THE REVENUES. THE GOVERNMENTAL NOTE SHALL BE A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL LENDER PAYABLE SOLELY FROM THE PLEDGED SECURITY, INCLUDING THE REVENUES. THE GOVERNMENTAL NOTE SHALL CONSTITUTE A VALID CLAIM OF THE RESPECTIVE NOTEOWNERS THEREOF AGAINST THE PLEDGED SECURITY, WHICH IS PLEDGED TO SECURE THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE GOVERNMENTAL NOTE AND WHICH SHALL BE UTILIZED FOR NO OTHER PURPOSE, EXCEPT AS EXPRESSLY AUTHORIZED IN THIS FUNDING LOAN AGREEMENT.**

Section 2.02. ***Pledged Security.*** To secure the payment of the principal of, premium, if any, and interest on the Funding Loan and the Governmental Note according to its tenor and effect, and the performance and observance by the Governmental Lender of all the covenants expressed or implied herein and in the Governmental Note, and the payment and performance of all amounts and obligations under the Continuing Covenant Agreement, the Governmental Lender does hereby

grant, bargain, sell, convey, pledge and assign a security interest, unto the Fiscal Agent, and its successors in such capacity and its and their assigns in and to the following (said property being herein referred to as the “**Pledged Security**”) for the benefit of the Funding Lender:

(a) All right, title and interest of the Governmental Lender in and to all Revenues;

(b) All right, title and interest of the Governmental Lender in and to the Project Loan Agreement, the Project Note, the Security Instrument and the other Project Loan Documents (other than the Unassigned Rights), including all extensions and renewals of the terms thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to receive, receipt for, collect or make claim for any of the money, income, revenues, issues, profits and other amounts payable or receivable thereunder (including all casualty insurance benefits or condemnation awards), whether payable under the above referenced documents or otherwise, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Governmental Lender or any other Person is or may become entitled to do under said documents; and

(c) Except for funds, money or securities in the Cost of Issuance Fund, the Administration Fund and the Rebate Fund, all funds, money and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the Funding Loan by the Governmental Lender or by anyone on its behalf or with its written consent to the Fiscal Agent, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

The foregoing notwithstanding, if the Governmental Lender or its successors or assigns shall pay or cause to be paid to the Funding Lender in full the principal, interest and premium, if any, to become due with respect to the Funding Loan at the times and in the manner provided in Article IX hereof, and if the Governmental Lender shall keep, perform and observe, or cause to be kept, performed and observed, all of its covenants, warranties and agreements contained herein, then these presents and the estate and rights hereby granted shall, at the option of the Governmental Lender, cease, terminate and be void, and thereupon the Fiscal Agent shall cancel and discharge the lien of this Funding Loan Agreement and execute and deliver to the Governmental Lender such instruments in writing as shall be requisite to satisfy the lien hereof, and, subject to the provisions of Sections 4.11 and 4.12 hereof and Article IX hereof, reconvey to the Governmental Lender the estate hereby conveyed, and assign and deliver to the Governmental Lender any property at the time subject to the lien of this Funding Loan Agreement which may then be in its possession, except for the Rebate Fund and cash held by the Fiscal Agent for the payment of interest on and principal of the Governmental Note; otherwise this Funding Loan Agreement to be and shall remain in full force and effect.

Section 2.03. **Limited Obligations.** Notwithstanding any other provision of this Funding Loan Agreement to the contrary, the Governmental Note is not and never shall become a general obligation of the Governmental Lender, but to the extent provided in and except as

otherwise permitted by this Funding Loan Agreement, the Governmental Note shall be a limited obligation of the Governmental Lender and the principal of, premium, if any, thereon shall be payable equally and ratably solely from and secured solely by the Pledged Security.

**NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, ANY OBLIGATION THAT THE GOVERNMENTAL LENDER MAY INCUR UNDER THIS FUNDING LOAN AGREEMENT OR UNDER ANY INSTRUMENT EXECUTED IN CONNECTION HERewith THAT SHALL ENTAIL THE EXPENDITURE OF MONEY SHALL NOT BE A GENERAL OBLIGATION OF THE GOVERNMENTAL LENDER, BUT SHALL BE A LIMITED OBLIGATION PAYABLE SOLELY FROM THE PLEDGED SECURITY. THE GOVERNMENTAL NOTE SHALL CONSTITUTE A VALID CLAIM OF THE RESPECTIVE HOLDERS THEREOF AGAINST THE PLEDGED SECURITY, WHICH IS PLEDGED TO SECURE THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY AND INTEREST ON THE GOVERNMENTAL NOTE AND WHICH SHALL BE UTILIZED FOR NO OTHER PURPOSE, EXCEPT AS EXPRESSLY AUTHORIZED IN THIS FUNDING LOAN AGREEMENT. THE GOVERNMENTAL NOTE, TOGETHER WITH INTEREST THEREON, SHALL BE A LIMITED OBLIGATION OF THE GOVERNMENTAL LENDER GIVING RISE TO NO CHARGE AGAINST THE GOVERNMENTAL LENDER'S GENERAL CREDIT AND PAYABLE SOLELY FROM, AND CONSTITUTE CLAIMS OF THE HOLDERS THEREOF AGAINST ONLY, THE PLEDGED SECURITY. THE PRINCIPAL OF, PREMIUM, IF ANY AND INTEREST ON THE GOVERNMENTAL NOTE SHALL NOT BE DEEMED TO CONSTITUTE DEBT OF THE GOVERNMENTAL LENDER (EXCEPT TO THE EXTENT OF THE PLEDGED SECURITY). THE GOVERNMENTAL NOTE IS NOT AND DOES NOT CREATE OR CONSTITUTE IN ANY WAY AN OBLIGATION, A DEBT OR A LIABILITY OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, OR CREATE OR CONSTITUTE A PLEDGE, GIVING OR LENDING OF THE FAITH, CREDIT, OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE GOVERNMENTAL LENDER HAS NO TAXING POWER.**

No agreement or obligation contained herein shall be deemed to be an agreement or obligation of any governing board member, director, officer, agent or employee of the Governmental Lender in his or her individual capacity, and no member of the governing board of the Governmental Lender nor any officer executing the Governmental Note shall be liable personally on such Governmental Note or be subject to any personal liability or accountability by reason of the issuance thereof. No governing board member, director, officer, agent or employee of the Governmental Lender shall incur any personal liability with respect to any other action taken by him or her pursuant to this Funding Loan Agreement.

Section 2.04. ***Funding Loan Agreement Constitutes Contract.*** In consideration of the origination and funding of the Funding Loan by the Initial Funding Lender, the provisions of this Funding Loan Agreement shall be part of the contract of the Governmental Lender with the Initial Funding Lender and any successors or assigns thereof in such capacity from time to time.

Section 2.05. ***Form and Execution.*** The Governmental Note shall be in substantially the form attached as **Exhibit A** with such appropriate insertions, omissions, substitutions and other

variations as are required or permitted by this Funding Loan Agreement. Except for the Initial Note which shall be numbered I-1, the Governmental Note shall be numbered consecutively from R-1 upwards.

The Initial Note, registered by the Comptroller, shall be identical to the form of Governmental Note attached as **Exhibit A**, except that the second-to-last paragraph of the Initial Note shall read as follows:

“THIS NOTE SHALL NOT BE VALID OR BECOME OBLIGATORY for any purpose or be entitled to any benefit or security under the Funding Loan Agreement unless the Comptroller’s Registration Certificate hereon has been executed by an authorized representative of the Texas Comptroller of Public Accounts by manual signature.”

In lieu of the authentication certificate of the Fiscal Agent, the Initial Note shall contain the following certificate:

**“REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS**

OFFICE OF THE COMPTROLLER OF  
PUBLIC ACCOUNTS  
THE STATE OF TEXAS

§  
§  
§

REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that this Note has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Texas Comptroller of Public Accounts.

Witness my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Texas Comptroller of Public Accounts

(SEAL)”

The provisions of Exhibit A may be rearranged or re-ordered for purposes of the Initial Note.

The Governmental Note shall be executed on behalf of the Governmental Lender by the manual or facsimile signature of the Chair or Vice Chair of the Governmental Lender, and attested by the manual or facsimile signature of the Secretary or an Assistant Secretary of the Governmental Lender and shall bear an impression or a facsimile of the seal of the Governmental Lender. Any facsimile signatures shall have the same force and effect as if said officers had manually signed the Governmental Note. Any reproduction of the official seal of the Governmental Lender on the

Governmental Note shall have the same force and effect as if the official seal of the Governmental Lender had been impressed on the Governmental Note. The signatures of individuals who were the proper officers of the Governmental Lender at the time of execution shall bind the Governmental Lender, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the delivery of the Governmental Note or shall not have held such offices on the date of the Governmental Note.

Section 2.06. ***Authentication.*** The Governmental Note shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Funding Loan Agreement unless a certificate of authentication or registration on the Governmental Note, substantially in the form set forth in **Exhibit A**, shall have been duly executed by an Authorized Officer of the Fiscal Agent or the Comptroller, as applicable; and such executed certificate of authentication or registration upon the Governmental Note shall be conclusive evidence that the Governmental Note has been duly executed, registered, authenticated and delivered under this Funding Loan Agreement.

Section 2.07. ***Mutilated, Lost, Stolen or Destroyed Governmental Note.*** In the event the Governmental Note is mutilated, lost, stolen or destroyed, the Governmental Lender shall execute and the Fiscal Agent shall authenticate a new Governmental Note substantially in the form set forth in **Exhibit A** in exchange and substitution for and upon cancellation of the mutilated Governmental Note or in lieu of and in substitution for such lost, stolen or destroyed Governmental Note, upon payment by the Funding Lender of any applicable tax or governmental charge and the reasonable expenses and charges of the Governmental Lender and the Fiscal Agent in connection therewith, and in the case where the Governmental Note is lost, stolen or destroyed, the filing with the Fiscal Agent of evidence satisfactory to it that the Governmental Note was lost, stolen or destroyed, and of the ownership thereof, and furnishing the Governmental Lender and the Fiscal Agent with indemnity satisfactory to each of them. In the event where the Governmental Note shall have matured, instead of delivering a new Governmental Note the Governmental Lender may pay the same without surrender thereof.

Section 2.08. ***Registration; Transfer of Governmental Note and Funding Loan; Transferee Representations Letter.***

(a) The Governmental Note and the Funding Loan shall be fully registered as to principal and interest in the manner and with any additional designation as the Fiscal Agent deems necessary for the purpose of identifying the registered owner thereof. The Governmental Note and the Funding Loan shall be transferable only on the registration books of the Fiscal Agent. The Fiscal Agent shall maintain books or other records showing the name and date of registration, address and employer identification number of the registered owner of the Governmental Note and the Funding Loan and any transfers of the Governmental Note and the Funding Loan as provided herein. The Governmental Note and the Funding Loan shall initially be registered to the Initial Funding Lender.

(b) The Funding Lender shall have the right to sell, assign or otherwise transfer in whole its interest in the Governmental Note and Funding Loan or to grant a participation interest in the Funding Loan in a percentage of not less than twenty-five percent (25%) of the outstanding principal amount of the Governmental Note; provided that the Funding Loan may be transferred, or any participation interest therein granted, only to an “accredited investor” as that term is defined



in Rule 501(a)(1), (2), (3), (5), (6), (7) or (8) of Regulation D under the Securities Act or a “qualified institutional buyer” as that term is defined under Rule 144A of the Securities Act (such “accredited investor” or “qualified institutional buyer” a “Qualified Transferee”) that delivers a letter to the Fiscal Agent substantially in the form attached hereto as **Exhibit C** (the “Transferee Representations Letter”) setting forth certain representations with respect to such Qualified Transferee. Notwithstanding the preceding sentence, no Transferee Representations Letter shall be required for the Funding Lender Representative to (i) transfer the Funding Loan to any affiliate or other party related to the Funding Lender that is a Qualified Transferee or (ii) sell or transfer the Funding Loan to a special purpose entity, a trust or a custodial or similar pooling arrangement from which the Funding Loan or securitized interests therein are not expected to be sold or transferred except to (x) owners or beneficial owners thereof that are Qualified Transferees or (y) in circumstances where secondary market credit enhancement is provided for such securitized interests resulting in a rating thereof of at least “A” or better. In connection with any sale, assignment or transfer of the Governmental Note and the Funding Loan, the Funding Lender shall give notice of such sale, assignment or transfer to the Fiscal Agent and the Fiscal Agent shall record such sale, assignment or transfer on its books or other records maintained for the registration of transfer of the Governmental Note.

(c) Other than to receive a Transferee Representation Letter as provided herein, the Fiscal Agent shall have no obligation to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Funding Loan Agreement or under applicable law with respect to any transfer of the Governmental Note or any interest therein or the Funding Loan.

Section 2.09. ***Intentionally Omitted.***

Section 2.10. ***Funding Loan Closing Conditions; Delivery of Governmental Note.*** Closing of the Funding Loan on the Delivery Date shall be conditioned upon, and the Governmental Lender shall only execute and deliver to the Fiscal Agent, and the Fiscal Agent shall only authenticate the Governmental Note and deliver the Governmental Note to the Initial Funding Lender upon, receipt by the Fiscal Agent of the following:

(a) executed counterparts of this Funding Loan Agreement, the Project Loan Agreement, the Tax Regulatory Agreement and the Tax Exemption Agreement, the Initial Note registered by the Comptroller and an Opinion of the Attorney General of the State of Texas approving the Governmental Note;

(b) an opinion of Bond Counsel or counsel to the Governmental Lender to the effect that the Governmental Lender is duly organized and existing under the laws of the State and has duly authorized, executed and delivered this Funding Loan Agreement, the Governmental Note and the other Financing Documents to which it is a party, and such documents are valid and binding special, limited obligations of the Governmental Lender enforceable in accordance with their terms subject to customary exceptions;

(c) the purchase price of \$[5,000,000] for the Governmental Note from the Initial Funding Lender;

(d) the executed Project Note and an endorsement of the Project Note by the Governmental Lender in favor of the Fiscal Agent;

(e) a copy of the executed (i) Security Instrument, (ii) Assignment, (iii) *Reserved* and (iv) Continuing Covenant Agreement;

(f) an opinion or opinions of counsel to the Borrower to the effect that the Borrower is duly organized and validly existing and in good standing under the laws of the state in which it has been organized and in good standing under the laws of each other state in which the Borrower transacts business and has full power and authority to enter into the Financing Documents to which it is a party, that its execution and delivery of and performance of its covenants in such documents do not contravene law or any provision of any other documents to which it is a party or by which it or such property is bound or affected, and that all such agreements have been duly authorized, executed and delivered by the Borrower, and are legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms;

(g) a customary approving opinion of Bond Counsel, including but not limited to an opinion to the effect that, under existing law, the interest on the Governmental Note is excludable from gross income for federal income tax purposes;

(h) a certified copy of the Resolution;

(i) the written request and authorization to the Fiscal Agent by the Governmental Lender to authenticate and deliver the Governmental Note to the Initial Funding Lender upon receipt by the Fiscal Agent of the purchase price for the Governmental Note;

(j) the amounts specified in Section 2.11 of this Funding Loan Agreement and Section 3.03 of the Project Loan Agreement; and

(k) a Transferee Representations Letter (addressed to the Governmental Lender and Fiscal Agent) executed by the Initial Funding Lender substantially in the form attached hereto as **Exhibit C**.

**Section 2.11. *Establishment of Project Loan Fund; Application of Funding Loan Proceeds and Other Money.***

(a) The Fiscal Agent shall establish, maintain and hold in trust and there is hereby established with the Fiscal Agent a Project Loan Fund and therein a Project Account and a Borrower Equity Account. No amount shall be charged against the Project Loan Fund except as expressly provided in this Section 2.11 and Section 4.02 hereof.

(b) The purchase price of the Governmental Note shall be delivered by the Initial Funding Lender to the Fiscal Agent on the Delivery Date. Upon receipt, the Fiscal Agent shall deposit the proceeds to the credit of the Project Account of the Project Loan Fund. Amounts in the Project Loan Fund shall be disbursed as provided in subparagraph (d) below, subject to the conditions set forth in Section 3.01 of the Project Loan Agreement. Upon the disbursement of all amounts in the Project Loan Fund, the Fiscal Agent shall close the Project Loan Fund.

(c) Except for any proceeds from the sale of the Governmental Note deposited to the Cost of Issuance Fund pursuant to Section 2.11(b), the Governmental Lender shall cause the Borrower to deliver from sources other than the Loans, (i) to the Fiscal Agent, on or prior to the Delivery Date, the Costs of Issuance Deposit for deposit to the credit of the Cost of Issuance Fund and the Borrower Equity Deposit for deposit to the credit of the Borrower Equity Account, and (ii) the Initial Debt Service Deposit, if any. The Fiscal Agent shall also deposit in the Borrower Equity Account any additional amounts delivered from time to time to the Fiscal Agent and directed by the Borrower to be deposited therein, excluding any proceeds of the Loans.

(d) Upon the making of the initial deposits described above in this Section 2.11, the Governmental Lender shall originate the Project Loan pursuant to the Project Loan Agreement and the Fiscal Agent shall make the initial disbursements of amounts in the Project Loan Fund to the Borrower or otherwise as provided in Section 4.02 hereof.

Section 2.12. *Intentionally omitted.*

Section 2.13. *Intentionally omitted.*

### ARTICLE III.

#### PREPAYMENT OF THE FUNDING LOAN

Section 3.01. *Prepayment of the Funding Loan Prior to Maturity/Redemption of the Governmental Note.*

(a) Optional Prepayment. The Funding Loan, together with accrued interest thereon, is subject to optional redemption and prepayment in whole upon optional prepayment of the Project Loan in accordance with the notice and other prepayment provisions set forth in the Project Note. Any optional prepayment of the Funding Loan shall constitute a redemption of the Governmental Note to the extent of the prepayment.

(b) Mandatory Prepayment. The Funding Loan, together with accrued interest thereon, and together with Prepayment Premium (to the extent payable under the Project Note), is subject to mandatory prepayment on any Business Day, in whole or in part as indicated below, at the earliest practicable date upon the occurrence of any of the following:

(i) in whole or in part, upon the occurrence of a mandatory prepayment of the Project Loan pursuant to the Project Note and receipt by the Fiscal Agent of a written direction by the Funding Lender that the Funding Loan shall be subject to mandatory prepayment as a result thereof;

(ii) in part, on the Interest Payment Date next following the completion of the rehabilitation of the Project but in no event later than three years after the Delivery Date, to the extent amounts remaining in the Project Account of the Project Loan Fund are transferred to the Loan Prepayment Fund pursuant to Section 4.02(e) hereof; or

(iii) in whole, on or after [\_\_\_\_], at the written direction of the Initial Funding Lender[, in connection with the conversion of the Series 2021 Governmental Note to its permanent phase].

Notwithstanding anything to the contrary in this Funding Loan Agreement, any prepayment of the Funding Loan, in whole or in part, shall constitute a redemption of the Governmental Note to the extent of the prepayment.

Section 3.02. ***Notice of Prepayment.*** Notice of the intended prepayment of the Funding Loan shall be given by the Fiscal Agent by first class mail, postage prepaid, or by overnight delivery service, to the Funding Lender and the Governmental Lender. All such prepayment notices shall be given not less than ten (10) days (not less than thirty (30) days in the case of optional prepayment) nor more than sixty (60) days prior to the date fixed for prepayment. Notices of prepayment shall state (i) the prepayment date, (ii) the prepayment amount, and (iii) the place or places where amounts due upon such prepayment will be payable.

Notice of such prepayment shall also be sent by first class mail, postage prepaid, or by overnight delivery service, to the Funding Lender, not later than the time of mailing of notices required by the first paragraph above, and in any event no later than simultaneously with the mailing of notices required by the first paragraph above; provided, that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the prepayment of the Funding Loan.

Notwithstanding the foregoing, in the event the Fiscal Agent is not collecting and remitting loan payments hereunder, the Fiscal Agent shall have no obligation to send prepayment notices pursuant to this Section 3.02.

## ARTICLE IV.

### REVENUES AND FUNDS

Section 4.01. ***Pledge of Revenues and Assets; Establishment of Funds.*** The pledge and assignment of and the security interest granted in the Pledged Security pursuant to Section 2.02 hereof shall attach, be perfected and be valid and binding from and after the time of the closing of the Funding Loan and delivery of the Governmental Note by the Fiscal Agent or by any Person authorized by the Fiscal Agent to deliver the Governmental Note. The Pledged Security so pledged and then or thereafter received by the Fiscal Agent shall immediately be subject to the lien of such pledge and security interest without any physical delivery thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Governmental Lender irrespective of whether such parties have notice thereof.

In addition to the Project Loan Fund established pursuant to Section 2.11 hereof, the Fiscal Agent shall establish, maintain and hold in trust the following funds and accounts, each of which is hereby established and each of which shall be disbursed and applied only as herein authorized:

- (a) Revenue Fund;

- (b) Loan Payment Fund;
- (c) Loan Prepayment Fund;
- (d) Administration Fund;
- (e) Cost of Issuance Fund; and
- (f) Rebate Fund.

The funds and accounts established pursuant to Section 2.11 and this Section 4.01 shall be maintained in the corporate trust department of the Fiscal Agent as segregated trust accounts, separate and identifiable from all other funds held by the Fiscal Agent. The Fiscal Agent shall, at the written direction of an Authorized Officer of the Governmental Lender, and may, in its discretion, establish such additional accounts within any Fund, and subaccounts within any of the accounts, as the Governmental Lender or the Fiscal Agent may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that Fund and its accounts, or for the purpose of complying with the requirements of the Code relating to arbitrage, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of this Funding Loan Agreement with respect to a deposit or use of money in the funds established hereunder, or result in commingling of funds not permitted hereunder.

Pursuant to the Tax Exemption Agreement, the Fiscal Agent shall cause to be kept and maintained adequate records pertaining to investment of all proceeds of the Governmental Note and the Funding Loan sufficient to permit the Borrower, on behalf of the Governmental Lender, to determine the amount of rebate, if any, required to be paid to the United States of America pursuant to Section 148 of the Code. The Fiscal Agent shall have no responsibility to make such determination.

#### Section 4.02. ***Project Loan Fund.***

(a) Deposit. The Fiscal Agent shall deposit from the proceeds of the Funding Loan the amount specified in the Closing Memorandum into the Project Account of the Project Loan Fund upon receipt thereof as provided in Section 2.11(b) hereof. The Fiscal Agent shall deposit the Borrower Equity Deposit into the Borrower Equity Account of the Project Loan Fund, as well as any additional amounts delivered from time to time to the Fiscal Agent and directed by the Borrower to be deposited therein (excluding any proceeds of the Governmental Note), as provided in Section 2.11(c) hereof.

(b) Disbursements. Amounts on deposit in the Project Loan Fund shall be disbursed from time to time by the Fiscal Agent for the purpose of paying: (i) interest on the Funding Loan and the Fee Component, in each case when due without the need for a Requisition or other written direction; (ii) Costs of the Project; (iii) other costs of the Project from the Project Account, subject to the limitations of the Tax Exemption Agreement; and (iv) other costs of the Project from the Borrower Equity Account. In addition, amounts in the Project Loan Fund shall be transferred to the Loan Prepayment Fund, the Rebate Fund and the Borrower at the times and in the manner provided in subsection (e) of this Section 4.02.

(c) Transfers and Requisitions. The Fiscal Agent shall automatically transfer amounts from the Borrower Equity Account of the Project Loan Fund to the Administration Fund to pay to the appropriate party its accrued fees that are included in the Fee Component that are due and payable as set forth herein or upon receipt of an invoice, without any need for a Requisition or other written direction. Unless the Fiscal Agent is instructed otherwise by the Initial Funding Lender, if there are insufficient funds in the Loan Payment Fund to make such payment, the Fiscal Agent shall automatically transfer amounts in the Project Account of the Project Loan Fund to the Loan Payment Fund to pay interest on the Project Loan and Funding Loan without any need for a Requisition or other written direction. The Fiscal Agent shall make disbursements from the respective accounts of the Project Loan Fund for purposes described in subsections (b)(ii), (b)(iii) and (b)(iv) of this Section 4.02 only upon the receipt of a Requisition signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Initial Funding Lender (signifying the consent to the Requisition by the Initial Funding Lender). The Fiscal Agent shall have no right or duty to determine whether any requested disbursement from the Project Loan Fund complies with the terms, conditions and provisions of the Continuing Covenant Agreement. The countersignature of the Authorized Officer of the Initial Funding Lender on a Requisition shall be deemed a certification, and insofar as the Fiscal Agent and the Governmental Lender are concerned, constitute conclusive evidence, that all of the terms, conditions and requirements of the Continuing Covenant Agreement applicable to such disbursement have been fully satisfied or waived; provided, however, that Initial Funding Lender's approval of a Requisition does not constitute any acknowledgement or representation on behalf of Initial Funding Lender that the funds disbursed by Fiscal Agent are being used for so-called "good costs" for purposes of the uses of bond proceeds in compliance with the Code. The Fiscal Agent shall, immediately upon each receipt of a completed Requisition signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Initial Funding Lender, initiate procedures with the provider of a Qualified Investment to make withdrawals as necessary to fund the Requisition.

Notwithstanding anything to the contrary contained herein, no signature of an Authorized Officer of the Borrower shall be required during any period in which an Event of Default has occurred and is then continuing under the Loans or any Financing Document (notice of which default has been given in writing by the Funding Lender to the Fiscal Agent and the Governmental Lender, and the Fiscal Agent shall be entitled to conclusively rely on any such written notice as to the occurrence and continuation of such a default).

(d) If a Requisition signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Initial Funding Lender or (as permitted hereunder) solely by an Authorized Officer of the Initial Funding Lender, is received by the Fiscal Agent, the requested disbursement shall be paid by the Fiscal Agent as soon as practicable, but in no event later than three (3) Business Days following receipt thereof by the Fiscal Agent. Upon final disbursement of all amounts on deposit in the Project Loan Fund, including all interest accrued therein, the Fiscal Agent shall close the Project Loan Fund.

(e) Immediately prior to any mandatory prepayment of the Funding Loan pursuant to Section 3.01(b)(i) hereof, any amount then remaining in the Project Loan Fund shall, at the written direction of the Funding Lender, be transferred to the Loan Prepayment Fund to pay amounts due on the Funding Loan, if any. In addition, any amount remaining in the Project Account of the Project Loan Fund following completion of the rehabilitation of the Project in accordance with the

Continuing Covenant Agreement, evidenced by an instrument signed by the Funding Lender, and in any case on the date that is three years after the Delivery Date, shall, after all Costs have been paid, which shall be confirmed by Borrower, be transferred to the Loan Prepayment Fund and used to prepay the Funding Loan in accordance with Section 3.01(b)(ii) hereof, unless the Fiscal Agent receives a Favorable Opinion of Bond Counsel (which shall also be addressed to the Funding Lender); provided, if any rebate is due, that any amounts in the Project Account of the Project Loan Fund in excess of the amount needed to fund the related prepayment of the Funding Loan shall be transferred to the Rebate Fund in an amount sufficient to pay such rebate. In the event there are funds remaining in the Borrower Equity Account following completion of the rehabilitation of the Project in accordance with the Continuing Covenant Agreement, and provided no Event of Default by the Borrower exists under this Funding Loan Agreement or any Project Loan Document, such funds shall be promptly paid by the Fiscal Agent to the Borrower at the written direction of the Funding Lender.

(f) Amounts on deposit in the Project Loan Fund shall be invested as provided in Section 4.08 hereof; provided that, unless the Initial Funding Lender otherwise consents, so long as the Initial Funding Lender is the holder of the Governmental Note, all amounts on deposit in the Project Account of the Project Loan Fund shall be invested in a certificate of deposit established with the Initial Funding Lender. All Investment Income on amounts on deposit in the Project Loan Fund shall be retained in and credited to and become a part of the amounts on deposit in the Project Loan Fund, and shall constitute part of any transfers required by subsection (b) or (e) of this Section 4.02.

#### Section 4.03. *Application of Revenues.*

(a) All Revenues received by the Fiscal Agent shall be deposited by the Fiscal Agent, promptly upon receipt thereof, to the Revenue Fund, except (i) the proceeds of the Funding Loan received by the Fiscal Agent on the Delivery Date, which shall be applied in accordance with the provisions of Section 2.11 hereof; (ii) funds delivered to the Fiscal Agent to be deposited in the Borrower Equity Account pursuant to Section 2.11 hereof, (iii) as otherwise specifically provided in subsection (c) of this Section 4.03 with respect to certain deposits into the Loan Prepayment Fund; (iv) with respect to Investment Income to the extent required under the terms hereof to be retained in the funds and accounts to which they are attributable; and (v) with respect to amounts required to be transferred between funds and accounts as provided in this Article IV.

(b) On each Interest Payment Date or any other date on which payment of principal of and/or interest on the Funding Loan becomes due and payable, the Fiscal Agent, out of money in the Revenue Fund, shall credit the following amounts to the following funds, but in the order and within the limitations hereinafter indicated with respect thereto, as follows:

**FIRST:** to the Loan Payment Fund, an amount equal to the principal of and/or interest due on the Funding Loan on such date; and

**SECOND:** to the Loan Prepayment Fund, an amount equal to the principal and interest due on the Funding Loan on such date with respect to a mandatory prepayment of all or a portion of the Funding Loan pursuant to Section 3.01(b) hereof (other than any extraordinary mandatory prepayment as described in Section 4.03(c)(i) or (iii) below).

(c) Promptly upon receipt, the Fiscal Agent shall deposit directly to the Loan Prepayment Fund (i) Net Casualty Proceeds representing casualty insurance proceeds or condemnation awards paid as a prepayment of the Project Loan in accordance with the Continuing Covenant Agreement, such amount to be applied to provide for the extraordinary mandatory prepayment of all or a portion of the Funding Loan pursuant to Section 3.01(b)(i) hereof; (ii) funds paid to the Fiscal Agent to be applied to the optional prepayment of all or a portion of the Funding Loan pursuant to Section 3.01(a); and (iii) amounts transferred to the Loan Prepayment Fund from the Project Loan Fund pursuant to Section 4.02(e) hereof.

(d) Should the amount in the Loan Payment Fund be insufficient to pay the amount due on the Funding Loan on any given Interest Payment Date, the Fiscal Agent shall credit to the Loan Payment Fund the amount of such deficiency by charging the following funds and accounts in the following order of priority: (1) the Revenue Fund; and (2) the Loan Prepayment Fund, except no such charge to the Loan Prepayment Fund shall be made from money to be used to effect a prepayment for which notice of prepayment has been provided for hereunder.

Section 4.04. ***Application of Loan Payment Fund.*** The Fiscal Agent shall charge the Loan Payment Fund, on each Interest Payment Date, an amount equal to the unpaid interest and/or principal due on the Funding Loan on such Interest Payment Date as provided in Section 4.03(a) and (b), and shall cause the same to be applied to the payment of such interest and/or principal when due. Any money remaining in the Loan Payment Fund on any Interest Payment Date after application as provided in the preceding sentence may, to the extent there shall exist any deficiency in the Loan Prepayment Fund to prepay the Funding Loan if called for prepayment on such Interest Payment Date, be transferred to the Loan Prepayment Fund to be applied for such purpose.

Any Investment Income on amounts on deposit in the Loan Payment Fund shall be deposited by the Fiscal Agent upon receipt thereof in the Revenue Fund.

No amount shall be charged against the Loan Payment Fund except as expressly provided in this Article IV and in Section 6.05 hereof.

Section 4.05. ***Application of Loan Prepayment Fund.*** Any money credited to the Loan Prepayment Fund shall be applied as set forth in Sections 4.03(b) and 4.03(c) hereof; provided, however, that to the extent any money credited to the Loan Prepayment Fund is in excess of the amount necessary to effect the prepayments described in Sections 4.03(b) and 4.03(c) hereof it shall be applied to make up any deficiency in the Loan Payment Fund on any Interest Payment Date, to the extent money then available in accordance with Section 4.03(d) hereof in the Revenue Fund is insufficient to make up such deficiency; provided that no money to be used to effect a prepayment for which a notice of prepayment has been provided shall be so transferred to the Loan Payment Fund.

On or before each Interest Payment Date, any Investment Income on amounts on deposit in the Loan Prepayment Fund shall be credited by the Fiscal Agent to the Revenue Fund.

No amount shall be charged against the Loan Prepayment Fund except as expressly provided in this Article IV and in Section 6.05 hereof.



Section 4.06. ***Administration Fund.*** The Fiscal Agent shall deposit into the Administration Fund, promptly upon receipt thereof, all amounts received from the Borrower designated for deposit into such fund together with amounts transferred by the Fiscal Agent from the Project Loan Fund for deposit to the Administration Fund pursuant to Section 4.02(c). Amounts in the Administration Fund shall be withdrawn or maintained, as appropriate, by the Fiscal Agent and used **FIRST**, to pay to the Fiscal Agent when due the Ordinary Fiscal Agent's Fees and Expenses; **SECOND**, to pay to the Governmental Lender when due the Governmental Lender Fees; **THIRD**, to pay when due the reasonable fees and expenses of a Rebate Analyst in connection with the computations relating to arbitrage rebate required under this Funding Loan Agreement and the Project Loan Agreement, upon receipt of an invoice from the Rebate Analyst; **FOURTH**, to pay to the Fiscal Agent any Extraordinary Fiscal Agent's Fees and Expenses due and payable from time to time, as set forth in an invoice submitted to the Borrower and the Funding Lender; **FIFTH**, to pay to the Governmental Lender any extraordinary expenses it may incur in connection with the Loans or this Funding Loan Agreement from time to time, as set forth in an invoice submitted to the Fiscal Agent; **SIXTH**, to pay to the Funding Lender any unpaid amounts due under the Continuing Covenant Agreement, as certified in writing by the Funding Lender to the Fiscal Agent; **SEVENTH**, to make up any deficiency in the Loan Prepayment Fund on any prepayment date of the Funding Loan, to the extent money then available in accordance with Section 4.03(d) hereof in the Loan Prepayment Fund is insufficient to prepay the Funding Loan scheduled for prepayment on such prepayment date; and **EIGHTH**, to transfer any remaining balance after application as aforesaid to the Revenue Fund.

In the event that the amounts on deposit in the Administration Fund are not equal to the amounts payable from the Administration Fund as provided in the preceding paragraph on any date on which such amounts are due and payable, the Fiscal Agent shall give written notice to the Borrower and the Funding Lender of such deficiency and of the amount of such deficiency and request payment within two (2) Business Days to the Fiscal Agent of the amount of such deficiency. Upon payment by the Borrower or the Funding Lender of such deficiency, the amounts for which such deficiency was requested shall be paid by the Fiscal Agent.

On or before each Interest Payment Date, any Investment Income on amounts on deposit in the Administration Fund not needed to pay the foregoing amounts shall be credited by the Fiscal Agent to the Revenue Fund.

No amount shall be charged against the Administration Fund except as expressly provided in this Article IV and Section 6.05 hereof.

Section 4.07. ***[Reserved].***

Section 4.08. ***Investment of Funds.*** The money held by the Fiscal Agent shall constitute trust funds for the purposes hereof. Any money attributable to each of the funds and accounts hereunder shall be, except as otherwise expressly provided herein, invested by the Fiscal Agent, at the written direction of the Borrower (or, in the case of the Rebate Fund, as provided in the Tax Exemption Agreement), in Qualified Investments which mature or shall be subject to prepayment or withdrawal at par without penalty on or prior to the earlier of (i) six months from the date of investment and (ii) the date such money is needed; provided, that if the Fiscal Agent shall have entered into any investment agreement requiring investment of money in any fund or

account hereunder in accordance with such investment agreement and if such investment agreement constitutes a Qualified Investment, such money shall be invested in accordance with such requirements. The Fiscal Agent shall have no discretion in investing funds or advising any parties on investing funds. In the absence of written direction from the Borrower, the Fiscal Agent shall invest amounts on deposit in the funds and accounts established under this Funding Loan Agreement in the Federated Government Obligations Fund CUSIP No. 608919809, for so long as it remains a Qualified Investment. Such investments may be made through the investment or securities department of the Fiscal Agent. The Fiscal Agent may purchase from or sell to itself or an affiliate, as principal or agent, securities herein authorized. The Fiscal Agent shall be entitled to assume, absent receipt by the Fiscal Agent of written notice to the contrary, that any investment which at the time of purchase is a Qualified Investment remains a Qualified Investment thereafter.

Qualified Investments representing an investment of money attributable to any fund or account shall be deemed at all times to be a part of said fund or account, and, except as otherwise may be provided expressly in other Sections hereof, the interest thereon and any profit arising on the sale thereof shall be credited to the Revenue Fund, and any loss resulting on the sale thereof shall be charged against the Revenue Fund. Such investments shall be sold at the best price obtainable (at least par) whenever it shall be necessary so to do in order to provide money to make any transfer, withdrawal, payment or disbursement from said fund or account. In the case of any required transfer of money to another such fund or account, such investments may be transferred to that fund or account in lieu of the required money if permitted hereby as an investment of money in that fund or account. The Fiscal Agent shall not be liable or responsible for any loss resulting from any investment made in accordance herewith.

The Governmental Lender acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Governmental Lender the right to receive brokerage confirmations of the security transactions as they occur, to the extent permitted by law, the Governmental Lender specifically waives compliance with 12 C.F.R. 12 and hereby notifies the Fiscal Agent hereunder, that no brokerage confirmations need be sent relating to the security transactions as they occur.

In computing for any purpose hereunder the amount in any fund or account on any date, obligations so purchased shall be valued at Fair Market Value.

Section 4.09. ***[Reserved].***

Section 4.10. ***Accounting Records.*** The Fiscal Agent shall maintain accurate books and records for all funds and accounts established hereunder.

Section 4.11. ***Amounts Remaining in Funds.*** After full payment of the Funding Loan (or provision for payment thereof having been made in accordance with Section 9.01 hereof) and full payment of the fees, charges and expenses of the Governmental Lender, the Fiscal Agent, the Rebate Analyst, and the Funding Lender and other amounts required to be paid hereunder or under any Project Loan Document, including, but not limited to, the Continuing Covenant Agreement (as certified in writing to the Fiscal Agent by the Governmental Lender with respect to amounts due to the Governmental Lender and by the Funding Lender with respect to amounts owed under the Continuing Covenant Agreement and by the Rebate Analyst with respect to amounts due to

the Rebate Analyst), any amounts remaining in any fund or account hereunder other than the Rebate Fund shall be paid to the Borrower.

Section 4.12. ***Rebate Fund.*** The Rebate Fund shall be for the sole benefit of the United States of America and shall not be subject to the claim of any other Person, including without limitation, the Funding Lender. The Rebate Fund is established for the purpose of complying with Section 148 of the Code. The money deposited in the Rebate Fund, together with all Investments thereof and income from Investments therefrom, shall be held in trust and applied solely as provided in this Section and in the Tax Exemption Agreement. The Rebate Fund is not a portion of the Pledged Security and is not subject to any lien under this Funding Loan Agreement. Notwithstanding the foregoing, the Fiscal Agent with respect to the Rebate Fund is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

Section 4.13. ***Cost of Issuance Fund.*** The Fiscal Agent shall deposit into the Cost of Issuance Fund the Cost of Issuance Deposit, upon receipt thereof as provided in Section 2.11(c). The Fiscal Agent shall use money on deposit to the credit of the Cost of Issuance Fund to pay the costs of issuance on the Delivery Date or as soon as practicable thereafter in accordance with a Requisition in the form of Exhibit D to be given to the Fiscal Agent by the Borrower on the Delivery Date, along with appropriate invoices for such expenses. Amounts in the Cost of Issuance Fund funded with proceeds of the Funding Loan, if any, shall be expended prior to the application of the Costs of Issuance Deposit. Investment Income on amounts on deposit in the Cost of Issuance Fund shall be retained in such fund. Amounts remaining on deposit in the Cost of Issuance Fund six (6) months after the Delivery Date shall be (i) if derived from proceeds of the Funding Loan, transferred to the Project Account of the Project Loan Fund and (ii) if derived from the Costs of Issuance Deposit, transferred to the Borrower. Upon such final disbursement, the Fiscal Agent shall close the Cost of Issuance Fund.

Section 4.14. ***Reports From the Fiscal Agent.*** The Fiscal Agent shall, on or before the fifteenth (15<sup>th</sup>) day of each month, file with the Funding Lender, the Governmental Lender and the Borrower a statement setting forth in respect of the preceding calendar month:

- (i) the amount withdrawn or transferred by it, and the amount deposited within or on account of each fund and account held by it under the provisions of this Funding Loan Agreement, including the amount of investment income on each fund and account;
- (ii) the amount on deposit with it at the end of such month to the credit of each fund and account;
- (iii) a brief description of all obligations held by it as an investment of money in each such fund and account; and
- (iv) any other information which the Funding Lender or the Governmental Lender may reasonably request and to which the Fiscal Agent has access in the ordinary course of its operations.

Upon the written request of the Funding Lender, the Fiscal Agent, at the cost of the Borrower, shall provide a copy of such statement to Funding Lender. All records and files

pertaining to the Pledged Security shall be open at all reasonable times to the inspection of the Governmental Lender and the Funding Lender and their agents and representatives upon reasonable prior notice during normal business hours.

## **ARTICLE V.**

### **GENERAL COVENANTS AND REPRESENTATIONS**

Section 5.01. ***Payment of Principal and Interest.*** The Governmental Lender covenants that it will promptly pay or cause to be paid, but only from the sources identified herein, sufficient amounts to provide for the payment of the principal of, premium, if any, and interest on the Funding Loan at the place, on the dates and in the manner provided herein and in the Governmental Note, according to the true intent and meaning thereof.

Section 5.02. ***Performance of Covenants.*** The Governmental Lender covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations and provisions contained in this Funding Loan Agreement, in the Governmental Note and in all proceedings pertaining thereto.

Section 5.03. ***Instruments of Further Assurance.*** The Governmental Lender covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such supplements hereto, and such further acts, instruments and transfers as may be reasonably required for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Fiscal Agent all and singular its interest in the property herein described and the revenues, receipts and other amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Funding Loan. Any and all interest in property hereafter acquired which is of any kind or nature herein provided to be and become subject to the lien hereof shall and without any further conveyance, assignment or act on the part of the Governmental Lender or the Fiscal Agent, become and be subject to the lien of this Funding Loan Agreement as fully and completely as though specifically described herein, but nothing in this sentence contained shall be deemed to modify or change the obligations of the Governmental Lender under this Section 5.03. The Governmental Lender covenants and agrees that, except as herein otherwise expressly provided, it has not and will not sell, convey, mortgage, encumber or otherwise dispose of any part of its interest in the Pledged Security or the revenues or receipts therefrom.

The Governmental Lender will promptly notify the Fiscal Agent, and the Fiscal Agent shall notify the Funding Lender in writing of the occurrence of any of the following:

- (i) the submission of any claim or the initiation of any litigation against the Governmental Lender with respect to the Loans of which the Governmental Lender has actual knowledge;
- (ii) any change in the location of the Governmental Lender's principal office or any change in the location of the Governmental Lender's books and records relating to the transactions contemplated hereby;

(iii) the occurrence of any Event of Default of which the Governmental Lender has actual knowledge;

(iv) the commencement of any proceedings or any proceedings instituted by or against the Governmental Lender in any federal, state or local court or before any governmental body or agency, or before any arbitration board, relating to the Notes; or

(v) the commencement of any proceedings by or against the Governmental Lender under any applicable bankruptcy, reorganization, liquidation, rehabilitation, insolvency or other similar law now or hereafter in effect or of any proceeding in which a receiver, liquidator, conservator, trustee or similar official shall have been, or may be, appointed or requested for the Governmental Lender or any of its assets relating to the Loans.

Section 5.04. ***Inspection of Project Books.*** The Governmental Lender covenants and agrees that all books and documents in its possession relating to the Project shall, upon reasonable prior notice, during normal business hours, be open to inspection and copying by such accountants or other agents as the Fiscal Agent or the Funding Lender may from time to time reasonably designate.

Section 5.05. ***No Modification of Security; Additional Indebtedness.*** The Governmental Lender covenants to and for the benefit of the Funding Lender that it will not, without the prior written consent of the Funding Lender, take any of the following actions:

(i) alter, modify or cancel, or agree to consent to alter, modify or cancel any agreement to which the Governmental Lender is a party, or which has been assigned to the Governmental Lender, and which relates to or affects the security for the Loans or the payment of any amount owed under the Financing Documents; or

(ii) create or suffer to be created any lien upon the Pledged Security or any part thereof other than the lien created hereby and by the Security Instrument.

Section 5.06. ***Damage, Destruction or Condemnation.*** Net Casualty Proceeds resulting from casualty to or condemnation of the Project shall be applied as provided in the Continuing Covenant Agreement and, to the extent consistent therewith, Section 3.01(b)(i) hereof.

Section 5.07. ***Tax Covenants.***

(a) ***Governmental Lender's Covenants.*** The Governmental Lender represents, covenants and agrees that:

(i) the Governmental Lender will comply with all applicable requirements of the Code that are necessary to preserve the excludability of interest on the Governmental Note from gross income for federal income tax purposes, all as set forth in the Tax Exemption Agreement.

(ii) the Governmental Lender will not take any action inconsistent with its expectations stated in the Tax Exemption Agreement and will comply with the covenants and requirements stated therein and incorporated by reference herein.

(b) *Fiscal Agent's Representations and Covenants.* The Fiscal Agent represents, covenants and agrees that it will not take any action inconsistent with its obligations expressly stated in the Tax Exemption Agreement and will comply with the covenants and requirements stated therein and incorporated by reference herein.

(c) *Change in Law.* To the extent that published rulings of the Internal Revenue Service or amendments to the Code or the Regulations modify the covenants of the Governmental Lender or the Fiscal Agent that are set forth in this Funding Loan Agreement or that are necessary for interest on the Governmental Note to be excludable from gross income for federal income tax purposes, the Fiscal Agent and the Governmental Lender will comply with such modifications upon the written direction of Bond Counsel specifying such modifications; provided any such modifications shall be subject to the prior written consent of the Funding Lender and shall be evidenced by an amendment entered into pursuant to Article VIII.

Section 5.08. ***Representations and Warranties of the Governmental Lender.*** The Governmental Lender hereby represents and warrants as follows:

(a) The Governmental Lender is a public and official agency of the State.

(b) The Governmental Lender has all necessary power and authority to issue the Governmental Note and to execute and deliver this Funding Loan Agreement, the Project Loan Agreement and the other Financing Documents to which it is a party, and to perform its duties and discharge its obligations hereunder and thereunder.

(c) The revenues and assets pledged for the repayment of the Funding Loan are and will be free and clear of any pledge, lien or encumbrance prior to, or equal with, the pledge created by this Funding Loan Agreement, and all action on the part of the Governmental Lender to that end has been duly and validly taken.

(d) The Financing Documents to which the Governmental Lender is a party have been validly authorized, executed and delivered by the Governmental Lender, and assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding obligations of the Governmental Lender, enforceable against the Governmental Lender in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and the application of equitable principles.

Section 5.09. ***State Law Verifications.*** The Fiscal Agent and Initial Funding Lender make the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code (the "Government Code"), as heretofore amended, in entering into this Funding Loan Agreement, and with respect to the Fiscal Agent, the Project Loan Agreement, (together with this Funding Loan Agreement, the "Representation Documents"). As used herein, "affiliate" means an entity that controls, is controlled by, or is under common control with the Fiscal Agent or Initial Funding Lender within the meaning of SEC Rule 405, 17 C.F.R. § 230.405,

and exists to make a profit. Liability for breach of any such verification during the term of the applicable Representation Documents shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of any such Representation Document, notwithstanding anything therein to the contrary.

(a) Each of the Fiscal Agent, with respect to the Representation Documents, and Initial Funding Lender, with respect to this Funding Loan Agreement, represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153, Government Code, or Section 2270.0201, Government Code. The foregoing representation excludes the Fiscal Agent, Initial Funding Lender, and each of the Fiscal Agent's and Initial Funding Lender's respective parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) Each of the Fiscal Agent, with respect to the Representation Documents, and Initial Funding Lender, with respect to this Funding Loan Agreement, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the applicable agreement(s). As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) Each of the Fiscal Agent, with respect to the Representation Documents, and Initial Funding Lender, with respect to this Funding Loan Agreement, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement(s). As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) Each of the Fiscal Agent, with respect to the Representation Documents, and Initial Funding Lender, with respect to this Funding Loan Agreement, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of the applicable agreement(s). As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

Each of the Fiscal Agent and Initial Funding Lender represents and verifies that it is aware of the Texas Office of the Attorney General's (the "Texas Attorney General") All Bond Counsel Letter, dated November 1, 2023, that is available on the website of the Texas Attorney General using the following link: (<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-01-2023.pdf>) and the Texas Attorney General's supplemental All Bond Counsel Letter, dated November 16, 2023, that is available on the website of the Texas Attorney

General using the following link: (<https://texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-06-2023.pdf>). Each of the Fiscal Agent and Initial Funding Lender represents and verifies that it has (i) on file a standing letter (“Standing Letter”) acceptable to the Texas Attorney General addressing the representations and verifications in this Section 5.09(a) through (d), and (ii) will, upon request of the Governmental Lender or Bond Counsel on behalf of the Governmental Lender, provide the Governmental Lender and Bond Counsel with a copy of its Standing Letter. Each of the Fiscal Agent and Initial Funding Lender further represents and verifies that its Standing Letter remains in effect as of the date of this Funding Loan Agreement and that the Texas Attorney General has not notified the Fiscal Agent or Initial Funding Lender, as applicable, that a determination has been made that the Fiscal Agent or Initial Funding Lender, as applicable, boycotts energy companies or has a policy that discriminates against firearm entities or firearm trade associations under the laws of the State of Texas. Upon request of the Governmental Lender or Bond Counsel on the Governmental Lender’s behalf, the Fiscal Agent or Initial Funding Lender, as applicable, shall provide additional written certifications to the Governmental Lender and Bond Counsel (which may be by email) to the effect that the Texas Attorney General may continue to rely on the Standing Letter and the statutory representations and covenants contained in this Funding Loan Agreement through the Delivery Date (the “Bringdown Verification”). The Governmental Lender reserves the right, and the Fiscal Agent and Initial Funding Lender hereby expressly authorizes the Governmental Lender, to provide such Bringdown Verifications to the Texas Attorney General.

## **ARTICLE VI.**

### **DEFAULT PROVISIONS AND REMEDIES OF FISCAL AGENT AND FUNDING LENDER**

Section 6.01. ***Events of Default.*** Each of the following shall be an event of default with respect to the Funding Loan (an “Event of Default”) under this Funding Loan Agreement:

- (a) failure to pay the principal of, premium, if any, or interest on the Funding Loan when due, whether on an Interest Payment Date, at the stated maturity thereof, by proceedings for prepayment thereof, by acceleration or otherwise; or
- (b) failure to observe the covenants set forth in Section 5.05 hereof; or
- (c) failure to observe or perform any of the covenants, agreements or conditions on the part of the Governmental Lender (other than those set forth in Sections 5.01 and 5.05 hereof) set forth in this Funding Loan Agreement or in the Governmental Note and the continuance thereof for a period of thirty (30) days (or such longer period, if any, as is specified herein for particular defaults) after written notice thereof to the Governmental Lender from the Fiscal Agent or the Funding Lender specifying such default and requiring the same to be remedied; provided that if such default cannot be cured within such thirty (30) day period through the exercise of diligence and the Governmental Lender commences the required cure within such thirty (30) day period and continues the cure with diligence and the Governmental Lender reasonably anticipates that the default could be cured within sixty (60) days, the Governmental Lender shall have sixty (60) days following receipt of such notice to effect the cure; or



(d) receipt by the Fiscal Agent of written notice from the Funding Lender of the occurrence of an “Event of Default” under the Project Loan Agreement or the Continuing Covenant Agreement.

The Fiscal Agent will promptly notify the Governmental Lender, and the Funding Lender after a Responsible Officer obtains actual knowledge of the occurrence of an Event of Default or obtains actual knowledge of the occurrence of an event which would become an Event of Default with the passage of time or the giving of notice or both.

Section 6.02. *Acceleration; Other Remedies Upon Event of Default.* Upon the occurrence of an Event of Default, the Fiscal Agent shall, upon the written request of the Funding Lender, by notice in writing delivered to the Governmental Lender, declare the principal of the Funding Loan and the interest accrued thereon immediately due and payable, and interest shall continue to accrue thereon until such amounts are paid.

At any time after the Funding Loan shall have been so declared due and payable, and before any judgment or decree for the payment of the money due shall have been obtained or entered, the Fiscal Agent may, but only if directed in writing by the Funding Lender, by written notice to the Governmental Lender and the Fiscal Agent, rescind and annul such declaration and its consequences if the Governmental Lender or the Borrower shall pay to or deposit with the Fiscal Agent a sum sufficient to pay all principal on the Funding Loan then due (other than solely by reason of such declaration) and all unpaid installments of interest (if any) on the Funding Loan then due, with interest at the rate borne by the Funding Loan on such overdue principal and (to the extent legally enforceable) on such overdue installments of interest, and the reasonable fees and expenses of the Fiscal Agent (including its counsel) shall have been made good or cured or adequate provision shall have been made therefor, and all outstanding amounts then due and unpaid under the Financing Documents (collectively, the “**Cure Amount**”) shall have been paid in full, and all other defaults hereunder shall have been made good or cured or waived in writing by the Funding Lender; but no such rescission and annulment shall extend to or shall affect any subsequent default, nor shall it impair or exhaust any right or power consequent thereon.

Upon the occurrence and during the continuance of an Event of Default, the Fiscal Agent in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Funding Lender, may also proceed to protect and enforce any rights of the Fiscal Agent and, to the full extent that the Funding Lender itself might do, the rights of the Funding Lender under the laws of the State or under this Funding Loan Agreement by such of the following remedies as the Fiscal Agent shall deem most effectual to protect and enforce such rights; provided that, the Fiscal Agent may undertake any such remedy only upon the receipt of the prior written consent of the Funding Lender (which consent may be given in the sole discretion of the Funding Lender):

(i) by mandamus or other suit, action or proceeding at law or in equity, to enforce the payment of the principal of, premium, if any, or interest on the Funding Loan and to require the Governmental Lender to carry out any covenants or agreements with or for the benefit of the Funding Lender and to perform its duties under the Act, this Funding Loan Agreement, the Project Loan Agreement or the Tax Regulatory Agreement (as applicable) to the extent permitted under the applicable provisions thereof;

(ii) by pursuing any available remedies under the Project Loan Agreement, the Tax Regulatory Agreement or any other Financing Document;

(iii) by realizing or causing to be realized through sale or otherwise upon the security pledged hereunder; and

(iv) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Funding Lender and execute any other papers and documents and do and perform any and all such acts and things as may be necessary or advisable in the opinion of the Fiscal Agent in order to have the claim of the Funding Lender against the Governmental Lender allowed in any bankruptcy or other proceeding.

No remedy by the terms of this Funding Loan Agreement conferred upon or reserved to the Fiscal Agent or to the Funding Lender is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Fiscal Agent or the Funding Lender hereunder or under the Project Loan Agreement, the Tax Regulatory Agreement, the Continuing Covenant Agreement or any other Financing Document, as applicable, or now or hereafter existing at law or in equity or by statute. 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 acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default hereunder, whether by the Fiscal Agent or the Funding Lender, shall extend to or shall affect any subsequent default or event of default or shall impair any rights or remedies consequent thereto.

Section 6.03. ***Funding Lender Control of Proceedings.*** If an Event of Default has occurred and is continuing, notwithstanding anything to the contrary herein, the Funding Lender shall have the sole and exclusive right at any time to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Funding Loan Agreement, or for the appointment of a receiver or any other proceedings hereunder, in accordance with the provisions of law and of this Funding Loan Agreement. In addition, the Funding Lender shall have the sole and exclusive right at any time to directly enforce all rights and remedies hereunder and under the other Financing Documents with or without the involvement of the Fiscal Agent or the Governmental Lender (and in connection therewith the Fiscal Agent shall transfer or assign to the Funding Lender all of its interest in the Pledged Security at the request of the Funding Lender). In no event shall the exercise of any of the foregoing rights result in an acceleration of the Funding Loan without the express direction of the Funding Lender.

Section 6.04. ***Waiver by Governmental Lender.*** Upon the occurrence of an Event of Default, to the extent that such right may then lawfully be waived, neither the Governmental Lender nor anyone claiming through or under it shall set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or prepayment laws now or hereinafter in force, in order to prevent or hinder the enforcement of this Funding Loan Agreement; and the Governmental Lender, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws and all right of appraisal and prepayment to which it may be entitled under the laws of the State and the United States of America.

Section 6.05. ***Application of Money After Default.*** All money collected by the Fiscal Agent at any time pursuant to this Article shall, except to the extent, if any, otherwise directed by a court of competent jurisdiction, be credited by the Fiscal Agent to the Revenue Fund. Such money so credited to the Revenue Fund and all other money from time to time credited to the Revenue Fund shall at all times be held, transferred, withdrawn and applied as prescribed by the provisions of Article IV hereof and this Section 6.05.

In the event that at any time the money credited to the Revenue Fund, the Loan Payment Fund and the Loan Prepayment Fund available for the payment of interest or principal then due with respect to the Governmental Note shall be insufficient for such payment, such money shall be applied as follows and in the following order of priority:

(a) For payment of all amounts due to the Fiscal Agent incurred in performance of its duties under this Funding Loan Agreement, including, without limitation, the payment of all reasonable fees and expenses of the Fiscal Agent incurred in exercising any remedies under this Funding Loan Agreement.

(b) To the extent directed in writing by the Funding Lender, to the reimbursement of any unreimbursed advances made by or on behalf of the Funding Lender pursuant to the Continuing Covenant Agreement or the Security Instrument.

(c) Unless the full principal amount of the Funding Loan shall have become or have been declared due and payable:

**FIRST**: to the Funding Lender, all installments of interest then due on the Funding Loan in the order of the maturity of such installments; and

**SECOND**: to the Funding Lender, unpaid principal of and premium, if any, on the Funding Loan which shall have become due, whether at maturity or by call for prepayment, in the order in which they became due and payable.

(d) If the full principal amount of the Governmental Note shall have become or have been declared due and payable, to the Funding Lender for the payment of the principal of, premium, if any, and interest then due and unpaid on the Funding Loan without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest.

Section 6.06. ***Remedies Not Exclusive.*** No right or remedy conferred upon or reserved to the Fiscal Agent, or the Funding Lender by the terms of this Funding Loan Agreement is intended to be exclusive of any other right or remedy, but each and every such remedy shall be cumulative and shall be in addition to every other right or remedy given to the Fiscal Agent, or the Funding Lender under this Funding Loan Agreement or existing at law or in equity or by statute (including the Act).

Section 6.07. ***Fiscal Agent May Enforce Rights Without Governmental Note.*** All rights of action and claims, including the right to file proof of claims, under this Funding Loan Agreement may be prosecuted and enforced by the Fiscal Agent at the written direction of the Funding Lender without the possession of the Governmental Note or the production thereof in any

trial or other proceedings relating thereto. Subject to the rights of the Funding Lender to direct proceedings hereunder, any such suit or proceeding instituted by the Fiscal Agent shall be brought in its name as Fiscal Agent without the necessity of joining as plaintiffs or defendants any Funding Lender, and any recovery or judgment shall be for the benefit as provided herein of the Funding Lender.

Section 6.08. ***[Reserved].***

Section 6.09. ***Termination of Proceedings.*** In case the Fiscal Agent (at the direction of the Funding Lender) or the Funding Lender shall have proceeded to enforce any right under this Funding Loan Agreement by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Governmental Lender, the Fiscal Agent, the Funding Lender, the Borrower and the Funding Lender shall be restored to their former positions and rights hereunder with respect to the Pledged Security herein conveyed, and all rights, remedies and powers of the Fiscal Agent and the Funding Lender shall continue as if no such proceedings had been taken.

Section 6.10. ***Waivers of Events of Default.*** The Fiscal Agent shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on the Funding Loan upon the written direction of the Funding Lender. In case of any such waiver or rescission, or in case any proceeding taken by the Fiscal Agent on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Governmental Lender, the Fiscal Agent, the Borrower, and the Funding Lender shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereto.

Section 6.11. ***Interest on Unpaid Amounts and Default Rate for Nonpayment.*** So long as (a) any principal of or interest payable on the Funding Loan is not paid when due, or (b) any other Event of Default has occurred and is continuing, interest on the Funding Loan shall accrue on the unpaid principal balance from the earlier of the first due date of unpaid principal or interest, or the occurrence of such other Event of Default, as applicable, at the Default Rate. Interest on the Funding Loan shall accrue at the Default Rate until the unpaid amount, together with interest thereon, shall have been paid in full.

Section 6.12. ***Assignment of Project Loan; Remedies Under the Project Loan.***

(a) The Funding Lender shall have the right, with respect to the Project Loan, in its sole and absolute discretion, without directing the Fiscal Agent to effect an acceleration of the Funding Loan, to instruct the Fiscal Agent in writing to assign the Project Note, the Security Instrument and the other Financing Documents to the Funding Lender, in which event the Fiscal Agent shall (a) endorse and deliver the Project Note to the Funding Lender and assign (in recordable form) the Security Instrument, (b) execute and deliver to the Funding Lender all documents prepared by the Funding Lender necessary to assign (in recordable form) all other Project Loan Documents to the Funding Lender and (c) execute all such documents prepared by the Funding Lender as are necessary to legally and validly effectuate the assignments provided for

in the preceding clauses (a) and (b). The Fiscal Agent's assignments to the Funding Lender pursuant to this Section 6.12 shall be without recourse or warranty except that the Fiscal Agent shall represent and warrant in connection therewith (A) that the Fiscal Agent has not previously endorsed or assigned any such documents or instruments and (B) that the Fiscal Agent has the corporate authority to endorse and assign such documents and instruments and such endorsements and assignments have been duly authorized.

(b) The Funding Lender shall have the right, in its own name or on behalf of the Governmental Lender or the Fiscal Agent, to declare any default and exercise any remedies under the Project Loan Agreement, the Project Note or the Security Instrument, whether or not the Governmental Note has been accelerated or declared due and payable by reason of an Event of Default or the occurrence of a mandatory prepayment.

Section 6.13. ***Substitution.*** Upon receipt of written notice from the Funding Lender and the written approval of the Governmental Lender as and to the extent permitted under the Tax Regulatory Agreement, the Fiscal Agent shall exchange the Project Note and the Security Instrument for a new Project Note and Security Instrument, evidencing and securing a new loan (the "New Project Loan"), which may be executed by a person other than the Borrower (the "New Borrower"), provided that if the Fiscal Agent, the Funding Lender or a nominee of the Fiscal Agent or the Funding Lender has acquired the Project through foreclosure, by accepting a deed in lieu of foreclosure or by comparable conversion of the Project, no approval from the Governmental Lender of such exchange shall be required. Prior to accepting a New Project Loan, the Fiscal Agent shall have received (i) written evidence that the New Borrower shall have executed and recorded a document substantially in the form of the Tax Regulatory Agreement (or executed and recorded an assumption of all of the Borrower's obligations under the Tax Regulatory Agreement) and that the Financing Documents have been modified as necessary to be applicable to the New Project Loan, and (ii) an opinion of Bond Counsel, to the effect that such exchange and modification, in and of itself, shall not affect the exclusion, from gross income, for federal income tax purposes of the interest payable on the Governmental Note.

## ARTICLE VII.

### CONCERNING THE FISCAL AGENT

Section 7.01. ***Standard of Care.*** The Fiscal Agent, prior to an Event of Default as defined in Section 6.01 hereof and after the curing or waiver of all such events which may have occurred, shall perform such duties and only such duties as are specifically set forth in this Funding Loan Agreement. The Fiscal Agent, during the existence of any such Event of Default (which shall not have been cured or waived), shall exercise such rights and powers vested in it by this Funding Loan Agreement and use the same degree of care and skill in its exercise as a prudent Person would exercise or use under similar circumstances in the conduct of such Person's own affairs.

No provision of this Funding Loan Agreement shall be construed to relieve the Fiscal Agent from liability for its breach of trust, own negligence or willful misconduct, except that:

(a) prior to an Event of Default hereunder, and after the curing or waiver of all such Events of Default which may have occurred:

(i) the duties and obligations of the Fiscal Agent shall be determined solely by the express provisions of this Funding Loan Agreement, and the Fiscal Agent shall not be liable except with regard to the performance of such duties and obligations as are specifically set forth in this Funding Loan Agreement; and

(ii) in the absence of bad faith on the part of the Fiscal Agent, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Fiscal Agent by the Person or Persons authorized to furnish the same and conforming to the requirements of this Funding Loan Agreement. However, the Fiscal Agent shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Funding Loan Agreement;

(b) at all times, regardless of whether or not any such Event of Default shall exist:

(i) the Fiscal Agent shall not be liable for any error of judgment made in good faith by an officer or employee of the Fiscal Agent except for willful misconduct or negligence by the officer or employee of the Fiscal Agent as the case may be; and

(ii) the Fiscal Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Funding Lender relating to the time, method and place of conducting any proceeding for any remedy available to the Fiscal Agent, or exercising any trust or power conferred upon the Fiscal Agent under this Funding Loan Agreement. The Fiscal Agent shall be entitled to request and receive written direction or instruction from Funding Lender, at the sole expense of the Borrower, and shall have no responsibility or liability for any losses or damages of any nature that may arise from any action taken or not taken by the Fiscal Agent in accordance with the written direction of Funding Lender.

The Fiscal Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Funding Loan Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility; it being understood that the Fiscal Agent shall use all commercially reasonable efforts which are consistent with accepted practices in the industry to perform hereunder and/or to resume performance under the circumstances, and in the event of any such failure or delay the Fiscal Agent shall give immediate notice to the Borrower, the Governmental Lender and the Funding Lender of such condition or occurrence, which may be given in the most expeditious manner available, including telephonically or electronically, subsequently confirmed in writing.

Section 7.02. ***Reliance Upon Documents.*** Except as otherwise provided in Section 7.01 hereof:

(a) the Fiscal Agent may conclusively rely upon the authenticity or truth of the statements and the correctness of the opinions expressed in, and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, notarial seal, stamp, acknowledgment, verification, request, consent, order, judgment, bond, or other paper or document of the proper party or parties, including any Electronic Notice as permitted hereunder or under the Project Loan Agreement;

(b) any notice, request, direction, election, order or demand of the Governmental Lender mentioned herein shall be sufficiently evidenced by an instrument signed in the name of the Governmental Lender by an Authorized Officer of the Governmental Lender (unless other evidence in respect thereof be herein specifically prescribed), and any resolution of the Governmental Lender may be evidenced to the Fiscal Agent by a copy of such resolution duly certified by an Authorized Officer of the Governmental Lender;

(c) any notice, request, certificate, statement, requisition, direction, election, order or demand of the Borrower mentioned herein shall be sufficiently evidenced by an instrument purporting to be signed in the name of the Borrower by any Authorized Officer of the Borrower (unless other evidence in respect thereof be herein specifically prescribed), and any resolution or certification of the Borrower may be evidenced to the Fiscal Agent by a copy of such resolution duly certified by a secretary or other authorized representative of the Borrower;

(d) *Intentionally omitted;*

(e) any notice, request, direction, election, order or demand of the Funding Lender mentioned herein shall be sufficiently evidenced by an instrument purporting to be signed in the name of the Funding Lender by any Authorized Officer of the Funding Lender (unless other evidence in respect thereof be herein specifically prescribed);

(f) *Intentionally omitted;*

(g) *Intentionally omitted;*

(h) in the administration of the trusts of this Funding Loan Agreement, the Fiscal Agent may execute any of the trusts or powers hereby granted directly or through its agents, receivers or attorneys, and the Fiscal Agent may consult with counsel (who may be counsel for the Governmental Lender, or the Funding Lender) and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or permitted by it hereunder in good faith and in accordance with the opinion of such counsel;

(i) whenever in the administration of the trusts of this Funding Loan Agreement, the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or permitting any action hereunder, such matters (unless other evidence in respect thereof be herein specifically prescribed), may, in the absence of negligence or willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of an officer or authorized agent of the Governmental Lender or the Borrower and such certificate

shall in the absence of bad faith on the part of the Fiscal Agent be full warrant to the Fiscal Agent for any action taken or permitted by it under the provisions of this Funding Loan Agreement, but in its discretion the Fiscal Agent may in lieu thereof accept other evidence of such matter or may require such further or additional evidence as it may deem reasonable

(j) the recitals herein and in the Governmental Note (except the Fiscal Agent's certificate of authentication thereon) shall not be considered as made by or imposing any obligation or liability upon the Fiscal Agent. The Fiscal Agent makes no representations as to the value or condition of the Pledged Security or any part thereof, or as to the title of the Governmental Lender or the Borrower to the Pledged Security, or as to the security of this Funding Loan Agreement, or of the Governmental Note issued hereunder, and the Fiscal Agent shall incur no liability or responsibility in respect of any of such matters;

(k) the Fiscal Agent shall not be personally liable for debts contracted or liability for damages incurred in the management or operation of the Pledged Security except for its own willful misconduct or negligence, and, absent its own negligence or willful misconduct, the Fiscal Agent shall not be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Fiscal Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. Every provision of this Funding Loan Agreement relating to the conduct or affecting the liability of or affording protection to the Fiscal Agent shall be subject to the provisions of this Section 7.02(k);

(l) the Fiscal Agent shall not be required to ascertain or inquire as to the performance or observance of any of the covenants or agreements (except to the extent they obligate the Fiscal Agent) herein or in any contracts or securities assigned or conveyed to or pledged with the Fiscal Agent hereunder, except Events of Default that are evident under Section 6.01(a) hereof. The Fiscal Agent shall not be required to take notice or be deemed to have notice or actual knowledge of any default or Event of Default specified in Section 6.01 hereof (except defaults under Section 6.01(a) hereof to the extent they are collecting loan payments hereunder) unless the Fiscal Agent shall receive from the Governmental Lender or the Funding Lender written notice stating that a default or Event of Default has occurred and specifying the same, and in the absence of such notice the Fiscal Agent may conclusively assume that there is no such default. Every provision contained in this Funding Loan Agreement or related instruments or in any such contract or security wherein the duty of the Fiscal Agent depends on the occurrence and continuance of such default shall be subject to the provisions of this Section 7.02(l);

(m) the Fiscal Agent shall be under no duty to confirm or verify any financial or other statements or reports or certificates furnished pursuant to any provisions hereof, except to the extent such statement or reports are furnished by or under the direction of the Fiscal Agent, and shall be under no other duty in respect of the same except to retain the same in its files and permit the inspection of the same at reasonable times by the Funding Lender;

(n) the Fiscal Agent shall be under no obligation to exercise those rights or powers vested in it by this Funding Loan Agreement, other than such rights and powers which it shall be obliged to exercise in the ordinary course of acting as Fiscal Agent under the terms and provisions of this Funding Loan Agreement and as required by law, at the request or direction of the Funding



Lender pursuant to Section 6.03 hereof, unless the Funding Lender shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in the compliance with such request or direction; and

(o) the Fiscal Agent may, at the sole expense of Borrower, request, rely on and act in accordance with officer's certificates and/or opinions of counsel, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such officer's certificates and opinions of counsel.

None of the provisions contained in this Funding Loan Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

The Fiscal Agent is authorized and directed to execute in its capacity as Fiscal Agent, the Project Loan Agreement and the Tax Regulatory Agreement and shall have no responsibility or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the delivery of the Governmental Note.

The Fiscal Agent or any of its affiliates may act as advisor or sponsor with respect to any Qualified Investments.

The Fiscal Agent agrees to accept and act upon Electronic Notice of written instructions and/or directions pursuant to this Funding Loan Agreement.

Any resolution, certification, notice, request, direction, election, order or demand delivered to the Fiscal Agent pursuant to this Section 7.02 shall remain in effect until the Fiscal Agent receives written notice to the contrary from the party that delivered such instrument accompanied by revised information for such party.

The Fiscal Agent shall have no responsibility for the value of any collateral or with respect to the perfection or priority of any security interest in any collateral except as otherwise provided in Section 7.17 hereof.

Section 7.03. ***Use of Proceeds.*** The Fiscal Agent shall not be accountable for the use or application of the Governmental Note authenticated or delivered hereunder or of the proceeds of the Funding Loan except as provided herein.

Section 7.04. ***[Reserved].***

Section 7.05. ***Trust Imposed.*** All money received by the Fiscal Agent shall, until used or applied as herein provided, be held in trust for the purposes for which it was received.

Section 7.06. ***Compensation of Fiscal Agent.*** The Fiscal Agent shall be entitled to its Ordinary Fiscal Agent's Fees and Expenses in connection with the services rendered by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties of the Fiscal Agent hereunder or under any Financing Document to the extent money is available therefor, in accordance with Section 4.06 hereof, exclusive of Extraordinary Services. The Fiscal Agent shall be entitled to Extraordinary Fiscal Agent's Fees and Expenses in connection

with any Extraordinary Services performed consistent with the duties hereunder or under any of the Financing Documents; provided the Fiscal Agent shall not incur any Extraordinary Fiscal Agent's Fees and Expenses without the consent of the Funding Lender. If any property, other than cash, shall at any time be held by the Fiscal Agent subject to this Funding Loan Agreement, or any supplement hereto, as security for the Funding Loan, the Fiscal Agent, if and to the extent authorized by a receivership, bankruptcy, or other court of competent jurisdiction or by the instrument subjecting such property to the provisions of this Funding Loan Agreement as such security for the Funding Loan, shall be entitled to make advances for the purpose of preserving such property or of discharging tax liens or other liens or encumbrances thereon. Payment to the Fiscal Agent for its services and reimbursement to the Fiscal Agent for its expenses, disbursements, liabilities and advances, shall be limited to the sources described in the Project Loan Agreement and in Sections 4.06, 4.11 and 6.05 hereof. The Governmental Lender shall have no liability for Fiscal Agent's fees, costs or expenses. Subject to the provisions of Section 7.09 hereof, the Fiscal Agent agrees that it shall continue to perform its duties hereunder and under the Financing Documents even in the event that money designated for payment of its fees shall be insufficient for such purposes or in the event that the Borrower fails to pay the Ordinary Fiscal Agent's Fees and Expenses or, if applicable, the Extraordinary Fiscal Agent's Fees and Expenses as required by the Project Loan Agreement.

The Borrower shall indemnify and hold harmless the Fiscal Agent and its officers, directors, officials, employees, agents, receivers, attorneys, accountants, advisors, consultants and servants, past, present or future, from and against (a) any and all claims by or on behalf of any person arising from any cause whatsoever in connection with this Funding Loan Agreement or transactions contemplated hereby, the Project, or the delivery of the Governmental Note or the Loans; (b) any and all claims arising from any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Project, or the delivery of the Governmental Note or the Loans; and (c) all costs, counsel fees, expenses, suits, proceedings at law or in equity or liabilities incurred in connection with any such claim or proceeding brought thereon or for any action taken to enforce a Financing Document or this indemnity provision; except that the Borrower shall not be required to indemnify any person for damages caused by the gross negligence, willful misconduct or unlawful acts (as the same shall be finally adjudicated by a court of competent jurisdiction) of such person or which arise from events occurring after the Borrower ceases to own the Project. In the event that any action or proceeding is brought or claim made against the Fiscal Agent, or any of its officers, directors, officials, employees, agents, receivers, attorneys, accountants, advisors, consultants or servants, with respect to which indemnity may be sought hereunder, the Borrower, upon written notice thereof from the indemnified party, shall assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The indemnified party shall have the right to approve a settlement to which it is a party and to employ separate counsel in any such action or proceedings and to participate in the investigation and defense thereof, and the Borrower shall pay the reasonable fees and expenses of such separate counsel. The provisions of this Section 7.06 shall survive the termination of this Funding Loan Agreement or the earlier resignation or removal of the Fiscal Agent.

Section 7.07. ***Qualifications of Fiscal Agent.*** There shall at all times be a Fiscal Agent hereunder which shall be an association or a corporation organized and doing business under the laws of the United States of America or any state thereof, authorized under such laws to exercise

corporate trust powers. Any successor Fiscal Agent shall have a combined capital and surplus of at least \$50,000,000 (or shall be a wholly-owned subsidiary of an association or corporation that has such combined capital and surplus), and be subject to supervision or examination by federal or state authority, or shall have been appointed by a court of competent jurisdiction pursuant to Section 7.11 hereof. If such association or corporation publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority referred to above, then for the purposes of this Section 7.07, the combined capital and surplus of such association or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Fiscal Agent shall cease to be eligible in accordance with the provisions of this Section 7.07 and another association or corporation is eligible, the Fiscal Agent shall resign immediately in the manner and with the effect specified in Section 7.09 hereof.

Section 7.08. ***Merger of Fiscal Agent.*** Any association or corporation into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any association or corporation resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party shall, ipso facto, be and become successor Fiscal Agent hereunder and vested with all the title to the whole property or Pledged Security and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding, and shall also be and become successor Fiscal Agent in respect of the legal interest of the Fiscal Agent in the Loans.

Section 7.09. ***Resignation by the Fiscal Agent.*** The Fiscal Agent may at any time resign from the trusts hereby created by giving written notice to the Governmental Lender, the Borrower, and the Funding Lender. Such notice to the Governmental Lender, the Borrower and the Funding Lender may be served personally or sent by certified mail or overnight delivery service. The resignation of the Fiscal Agent shall not be effective until a successor Fiscal Agent has been appointed as provided herein and such successor Fiscal Agent shall have agreed in writing to be bound by the duties and obligations of the Fiscal Agent hereunder.

Section 7.10. ***Removal of the Fiscal Agent.*** The Fiscal Agent may be removed at any time, either with or without cause, with the consent of the Funding Lender (which consent of the Funding Lender shall not be unreasonably withheld), by a written instrument signed by the Governmental Lender and delivered to the Fiscal Agent, and the Borrower. The Fiscal Agent may also be removed by a written instrument signed by the Funding Lender and delivered to the Fiscal Agent, the Governmental Lender and the Borrower. In each case written notice of such removal shall be given to the Borrower, the Governmental Lender and the Funding Lender. Any such removal shall take effect on the day specified in such written instrument(s), but the Fiscal Agent shall not be discharged from the trusts hereby created until a successor Fiscal Agent has been appointed and has accepted such appointment and has agreed in writing to be bound by the duties and obligations of the Fiscal Agent hereunder.

Section 7.11. ***Appointment of Successor Fiscal Agent.***

(a) In case at any time the Fiscal Agent shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Fiscal Agent or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Fiscal Agent or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Fiscal Agent hereunder, and the Borrower, with the written consent of the Funding Lender and Governmental Lender, shall promptly appoint a successor Fiscal Agent. Any such appointment shall be made by a written instrument executed by an Authorized Officer of the Governmental Lender. If the Governmental Lender or the Borrower fails to appoint a successor Fiscal Agent within ten (10) days following the resignation or removal of the Fiscal Agent pursuant to Section 7.09 or Section 7.10 hereunder, as applicable, the Funding Lender may appoint a successor Fiscal Agent.

(b) If, in a proper case, no appointment of a successor Fiscal Agent shall be made pursuant to subsection (a) of this Section 7.11 within sixty (60) days following delivery of all required notices of resignation given pursuant to Section 7.09 hereof or of removal of the Fiscal Agent pursuant to Section 7.10 hereof, the retiring Fiscal Agent may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. The court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Fiscal Agent.

Section 7.12. ***Concerning Any Successor Fiscal Agent.*** Every successor Fiscal Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Governmental Lender a written instrument accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the Pledged Security and the rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Governmental Lender, the Borrower or the Funding Lender, or of its successor, and upon payment of all amounts due such predecessor, including but not limited to fees and expenses of counsel, execute and deliver such instruments as may be appropriate to transfer to such successor Fiscal Agent all the Pledged Security and the rights, powers and trusts of such predecessor hereunder; and every predecessor Fiscal Agent shall deliver all securities and money held by it as Fiscal Agent hereunder to its successor. Should any instrument in writing from the Governmental Lender be required by a successor Fiscal Agent for more fully and certainly vesting in such successor the Pledged Security and all rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Governmental Lender. The resignation of any Fiscal Agent and the instrument or instruments removing any Fiscal Agent and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed and/or recorded by the successor Fiscal Agent in each recording office where this Funding Loan Agreement shall have been filed and/or recorded. Each successor Fiscal Agent shall mail notice by first class mail, postage prepaid, at least once within thirty (30) days of such appointment, to the Funding Lender.

Section 7.13. ***Successor Fiscal Agent.*** In the event of a change in the office of Fiscal Agent, the predecessor Fiscal Agent which shall have resigned or shall have been removed shall

cease to be Fiscal Agent with respect to the Governmental Note, and the successor Fiscal Agent shall become such Fiscal Agent.

Section 7.14. ***Appointment of Co-Fiscal Agent or Separate Fiscal Agent.*** It is the intent of the Governmental Lender and the Fiscal Agent that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Fiscal Agent in such jurisdiction. It is recognized that in case of litigation under or connected with this Funding Loan Agreement, the Project Loan Agreement or any of the other Financing Documents, and, in particular, in case of the enforcement of any remedies on default, or in case the Fiscal Agent deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein or therein granted to the Fiscal Agent or hold title to the properties in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Fiscal Agent, with the consent of the Governmental Lender and the Funding Lender, appoint an additional individual or institution as a co-fiscal agent or separate fiscal agent.

In the event that the Fiscal Agent appoints an additional individual or institution as a co-fiscal agent or separate fiscal agent, in the event of the incapacity or lack of authority of the Fiscal Agent, by reason of any present or future law of any jurisdiction, to exercise any of the rights, powers, trusts and remedies granted to the Fiscal Agent herein or to hold title to the Pledged Security or to take any other action that may be necessary or desirable in connection therewith, each and every remedy, power, right, obligation, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Funding Loan Agreement to be imposed upon, exercised by or vested in or conveyed to the Fiscal Agent with respect thereto shall be imposed upon, exercisable by and vest in such separate fiscal agent or co-fiscal agent, but only to the extent necessary to enable such co-fiscal agent or separate fiscal agent to exercise such powers, rights, trusts and remedies, and every covenant and obligation necessary to the exercise thereof by such co-fiscal agent or separate fiscal agent shall run to and be enforceable by either of them, subject to the remaining provisions of this Section 7.14. Such co-fiscal agent or separate fiscal agent shall deliver an instrument in writing acknowledging and accepting its appointment hereunder to the Governmental Lender and the Fiscal Agent.

Should any instrument in writing from the Governmental Lender be required by the co-fiscal agent or separate fiscal agent so appointed by the Fiscal Agent for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Governmental Lender, the Fiscal Agent and the Borrower. If the Governmental Lender shall fail to deliver the same within thirty (30) days of such request, the Fiscal Agent is hereby appointed attorney-in-fact for the Governmental Lender to execute, acknowledge and deliver such instruments in the Governmental Lender's name and stead. In case any co-fiscal agent or separate fiscal agent, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such co-fiscal agent or separate fiscal agent, so far as permitted by law, shall vest in and be exercised by the Fiscal Agent until the appointment of a new Fiscal Agent or successor to such co-fiscal agent or separate fiscal agent.

Every co-fiscal agent or separate fiscal agent shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms, namely:

(a) the Governmental Note shall be authenticated and delivered, and all rights, powers, trusts, duties and obligations by this Funding Loan Agreement conferred upon the Fiscal Agent in respect of the custody, control or management of money, papers, securities and other personal property shall be exercised solely by the Fiscal Agent;

(b) all rights, powers, trusts, duties and obligations conferred or imposed upon the Fiscal Agent shall be conferred or imposed upon or exercised or performed by the Fiscal Agent, or by the Fiscal Agent and such co-fiscal agent, or separate fiscal agent jointly, as shall be provided in the instrument appointing such co-fiscal agent or separate fiscal agent, except to the extent that under the law of any jurisdiction in which any particular act or acts are to be performed the Fiscal Agent shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-fiscal agent or separate fiscal agent;

(c) any request in writing by the Fiscal Agent to any co-fiscal agent or separate fiscal agent to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking or the refraining from taking of such action by such co-fiscal agent or separate fiscal agent;

(d) any co-fiscal agent or separate fiscal agent to the extent permitted by law shall delegate to the Fiscal Agent the exercise of any right, power, trust, duty or obligation, discretionary or otherwise;

(e) the Fiscal Agent at any time by an instrument in writing with the concurrence of the Governmental Lender evidenced by a certified resolution may accept the resignation of or remove any co-fiscal agent or separate fiscal agent appointed under this Section 7.14 and in case an Event of Default shall have occurred and be continuing, the Fiscal Agent shall have power to accept the resignation of or remove any such co-fiscal agent or separate fiscal agent without the concurrence of the Governmental Lender, and upon the request of the Fiscal Agent, the Governmental Lender shall join with the Fiscal Agent in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-fiscal agent or separate fiscal agent so resigned or removed may be appointed in the manner provided in this Section 7.14;

(f) no Fiscal Agent or co-fiscal agent hereunder shall be personally liable by reason of any act or omission of any other Fiscal Agent hereunder;

(g) any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing executed by the Funding Lender and delivered to the Fiscal Agent shall be deemed to have been delivered to each such co-fiscal agent or separate fiscal agent; and

(h) any money, papers, securities or other items of personal property received by any such co-fiscal agent or separate fiscal agent hereunder shall forthwith, so far as may be permitted by law, be turned over to the Fiscal Agent.

The total compensation of the Fiscal Agent and any co-fiscal agent or separate fiscal agent shall be as, and may not exceed the amount, provided in Section 7.06 hereof.

Section 7.15. ***Notice of Certain Events.*** The Fiscal Agent shall give written notice to the Governmental Lender, and the Funding Lender of any failure by the Borrower to comply with the terms of the Tax Regulatory Agreement or any Determination of Taxability of which a Responsible Officer has actual knowledge.

Section 7.16. ***[Reserved].***

Section 7.17. ***Filing of Financing Statements.*** The Fiscal Agent shall have no duty to file financing statements on the Delivery Date. The Fiscal Agent shall, at the expense of the Borrower, file or record or cause to be filed or recorded all UCC continuation statements for the purpose of continuing without lapse the effectiveness of those financing statements which have been filed on or approximately on the Delivery Date, copies of which have been actually delivered to Fiscal Agent, in connection with the security for the Funding Loan pursuant to the authority of the UCC. Upon the filing of any such continuation statement the Fiscal Agent shall immediately notify the Governmental Lender, the Borrower, and the Funding Lender that the same has been done. If direction is given by the Funding Lender, the Fiscal Agent shall file all continuation statements in accordance with such directions.

Section 7.18. ***USA Patriot Act Requirements of the Fiscal Agent.*** To help the government of the United States of America fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual Person such as a business entity, a charity, a trust, or other legal entity, the Fiscal Agent may request documentation to verify such Person's formation and existence as a legal entity. The Fiscal Agent may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent such Person or other relevant documentation.

## ARTICLE VIII.

### AMENDMENTS OF CERTAIN DOCUMENTS

Section 8.01. ***Amendments to this Funding Loan Agreement.*** Any of the terms of this Funding Loan Agreement and the Governmental Note may be amended or waived only by an instrument signed by the Fiscal Agent and the Governmental Lender, and with the prior written consent of the Funding Lender. All fees, costs and expenses (including reasonable attorneys' fees, costs and expenses) incurred in connection with any amendment, modification or supplement shall be payable by the Borrower.

Section 8.02. ***Amendments to Financing Documents Require Consent of Funding Lender.*** Neither the Governmental Lender nor the Fiscal Agent shall consent to any amendment, change or modification of any Financing Document without the prior written consent of the Funding Lender. The Fiscal Agent shall enter into such amendments to the Financing Documents as shall be directed by the Funding Lender.

Section 8.03. ***Opinion of Bond Counsel Required.*** No amendment to this Funding Loan Agreement, the Governmental Note, the Project Loan Agreement, the Project Note, the Security Instrument, the Tax Regulatory Agreement or the Tax Exemption Agreement shall

become effective unless and until (i) the Funding Lender shall have consented to the same in writing in its sole discretion and (ii) the Funding Lender, the Governmental Lender and the Fiscal Agent shall have received, at the expense of the Borrower, (A) a Favorable Opinion of Bond Counsel, and (B) an opinion of counsel (which may be Bond Counsel) acceptable to the Funding Lender and the Governmental Lender to the effect that any such proposed such amendment, change or modification is authorized and complies with the provisions of this Funding Loan Agreement and is a legal, valid and binding obligation of the parties thereto, subject to normal exceptions relating to bankruptcy, insolvency and equitable principles limitations.

## ARTICLE IX.

### SATISFACTION AND DISCHARGE OF FUNDING LOAN AGREEMENT

Section 9.01. ***Discharge of Lien.*** If the Governmental Lender shall pay or cause to be paid to the Funding Lender the principal, interest and premium, if any, to become due with respect to the Funding Loan at the times and in the manner stipulated herein and in the Governmental Note, in any one or more of the following ways:

(a) by the payment of all unpaid principal of (including Prepayment Premium, if any) and interest on the Funding Loan; or

(b) *Intentionally omitted*; or

(c) by the delivery of the Governmental Note by the Funding Lender to the Fiscal Agent for cancellation;

and shall have paid all amounts due and owing under the other Financing Documents, and shall have paid all fees and expenses of and any other amounts due to the Fiscal Agent, and the Rebate Analyst, and if the Governmental Lender shall keep, perform and observe all and singular the covenants and promises in the Governmental Note and in this Funding Loan Agreement expressed as to be kept, performed and observed by it or on its part, then these presents and the estates and rights hereby granted shall cease, determine and be void, and thereupon the Fiscal Agent shall cancel and discharge the lien of this Funding Loan Agreement and execute and deliver to the Governmental Lender such instruments in writing as shall be requisite to satisfy the lien hereof, and reconvey to the Governmental Lender the estate hereby conveyed, and assign and deliver to the Governmental Lender any interest in property at the time subject to the lien of this Funding Loan Agreement which may then be in its possession, except amounts held by the Fiscal Agent for the payment of principal of, interest and premium, if any, on the Governmental Note, the payment of any amounts owed to the United States of America pursuant to Section 4.12 hereof.

Subject to the satisfaction of the conditions set forth in Section 4.04(c) of the Project Loan Agreement, the Funding Loan shall, prior to the Maturity Date, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section 9.01 based on a deposit of moneys or securities with the Fiscal Agent pursuant to Section 9.01(b) if, under circumstances which do not cause interest on the Governmental Note to become includable in the holders' gross income for purposes of federal income taxation, the following conditions shall have been fulfilled: (a) there shall be on deposit with the Fiscal Agent either money or noncallable and



nonprepayable direct obligations of the United States of America (or other defeasance securities constituting Qualified Investments approved in writing by the Funding Lender) in an amount, together with anticipated earnings thereon (but not including any reinvestment of such earnings), which will be sufficient to pay, when due, the principal and interest due and to become due on the Funding Loan up to and on the Maturity Date; (b) the Fiscal Agent shall have received a verification report of a firm of certified public accountants or financial analyst reasonably acceptable to the Fiscal Agent and the Funding Lender as to the adequacy of the amounts or securities so deposited to fully pay the Funding Loan; (c) the Fiscal Agent and the Funding Lender shall have received a written opinion of nationally recognized counsel experienced in bankruptcy matters to the effect that if the Borrower, any general partner, member or guarantor of the Borrower, or the Governmental Lender were to become a debtor in a proceeding under the Bankruptcy Code (x) payment of such money to the Funding Lender would not constitute a voidable preference under Section 547 of the Bankruptcy Code and (y) the automatic stay provisions of Section 362(a) of the Bankruptcy Code would not prevent application of such money to the payment of the Funding Loan; (d) the Fiscal Agent and the Funding Lender shall have received an opinion of Bond Counsel to the effect that the defeasance of the Funding Loan is in accordance with the provisions of the Funding Loan Agreement and that such defeasance will not adversely affect the exclusion of interest on the Governmental Note from gross income for federal income tax purposes; and (e) the Fiscal Agent shall have received written confirmation that all fees, expenses or reimbursement of any advances due to the Funding Lender under the Financing Documents have been fully paid.

Section 9.02. ***Discharge of Liability on Funding Loan.*** Upon the deposit with the Fiscal Agent, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.01 above) to pay or prepay the Funding Loan (whether upon or prior to their maturity or the prepayment date of the Funding Loan) provided that, if the Funding Loan is to be prepaid prior to the maturity thereof, notice of such prepayment shall have been given as in Article III provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, all liability of the Governmental Lender in respect of the Funding Loan shall cease, terminate and be completely discharged, except only that thereafter the Funding Lender shall be entitled to payment by the Governmental Lender, and the Governmental Lender shall remain liable for such payment, but only out of the money or securities deposited with the Fiscal Agent as aforesaid for their payment, subject, however, to the provisions of Section 9.03 hereof.

Section 9.03. ***Payment of Funding Loan After Discharge of Funding Loan Agreement.*** Notwithstanding any provisions of this Funding Loan Agreement, and subject to applicable unclaimed property laws of the State, any money deposited with the Fiscal Agent or any paying agent in trust for the payment of the principal of, interest or premium on the Governmental Note remaining unclaimed for two years after the maturity or earlier payment date shall be reported and disposed of by the Fiscal Agent in accordance with the applicable unclaimed property laws of the State, whereupon all liability of the Governmental Lender and the Fiscal Agent with respect to such money shall cease, and the Funding Lender shall thereafter look solely to the Borrower for payment of any amounts then due. All money held by the Fiscal Agent and subject to this Section 9.03 shall be held uninvested and without liability for interest thereon.

## ARTICLE X.

### INTENTIONALLY OMITTED

## ARTICLE XI.

### MISCELLANEOUS

#### Section 11.01. *Intentionally omitted.*

Section 11.02. ***Limitation of Rights.*** With the exception of rights herein expressly conferred, nothing expressed or to be implied from this Funding Loan Agreement or the Governmental Note is intended or shall be construed to give to any Person other than the Parties hereto, the Funding Lender, and the Borrower, any legal or equitable right, remedy or claim under or in respect to this Funding Loan Agreement or any covenants, conditions and provisions hereof.

Section 11.03. ***Construction of Conflicts; Severability.*** Notwithstanding anything provided herein, or in any of the documents referred to herein, in the event that any contracts or other documents executed by the Borrower or any other arrangements agreed to by the Borrower in order to finance or refinance the Project with the proceeds of the Funding Loan, the interest on which is excluded from gross income for federal income tax purposes under Section 103(a) of the Code are inconsistent with the Project Loan Documents, then the Project Loan Documents shall be controlling in all respects. If any provision of this Funding Loan Agreement shall be held or deemed to be, or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or sections in this Funding Loan Agreement contained, shall not affect the remaining portions of this Funding Loan Agreement, or any part thereof.

#### Section 11.04. *Notices.*

(a) Whenever in this Funding Loan Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Any notice, request, complaint, demand, communication or other paper required or permitted to be delivered to the Governmental Lender, the Fiscal Agent, the Funding Lender, or the Borrower shall be sufficiently given and shall be deemed given (unless another form of notice shall be specifically set forth herein) on the Business Day following the date on which such notice or other communication shall have been delivered to a national overnight delivery service (receipt of which to be evidenced by a signed receipt from such overnight delivery service) addressed to

the appropriate party at the addresses set forth below or as may be required or permitted by this Funding Loan Agreement by Electronic Notice. The Governmental Lender, the Fiscal Agent, the Funding Lender, or the Borrower may, by notice given as provided in this paragraph, designate any further or different address to which subsequent notices or other communication shall be sent.

The Governmental Lender: Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701  
Attention: Teresa Morales  
Email: [teresa.morales@tdhca.state.tx.us](mailto:teresa.morales@tdhca.state.tx.us)  
Telephone: (512) 475-3344

The Fiscal Agent: Wilmington Trust, National Association  
15950 North Dallas Parkway, Suite 520050  
Dallas, TX 75248  
Attention: \_\_\_\_\_  
Email: \_\_\_\_\_  
Telephone: \_\_\_\_\_

The Borrower: Murdeaux Rehab Development, LP  
3556 Culpepper Cr., Suite 4  
Springfield, MO 65804  
Attention: Ryan Hamilton  
Email: [ryanhamilton@hamiltoncorporation.com](mailto:ryanhamilton@hamiltoncorporation.com)  
Telephone: (417) 882-1701

with a copy to: Shackelford, Bowen, McKinley & Norton  
(which copy shall not constitute notice to Borrower)  
9201 N. Central Expressway, 4th Floor  
Dallas, TX 75231  
Attention: Michelle Snedden  
Email: [MSnedden@shackelford.law](mailto:MSnedden@shackelford.law)  
Telephone: (214) 780-1413

The Fee Owner Murdeaux Villas Landowner LLC  
[ADDRESS]  
Attention: [\_\_\_\_]  
Email: [\_\_\_\_]  
Telephone: [\_\_\_\_\_]

If to Tax Credit Investor: 42EP Bridge Fund II, LP  
2660 East Chase Lane, Suite 100  
Montgomery, AL 36117  
Attention: E. Michael Haynes

With a copy to:

Maynard Cooper & Gale, P.C.  
1901 Sixth Avenue North, Suite 1700  
Birmingham, AL 35203  
Attention: Matthew A. Aiken

Funding Lender  
Representative

International Bank of Commerce  
1600 Ruben Torres Blvd  
Brownsville, TX 78526  
Attention: Lee Reed  
Telephone: (956) 547-1019  
Email: LeeReed@ibc.com

with a copy to:

Martin & Drought, P.C.  
Attention: Paul J. Benavides  
112 East Pecan Street, Suite 1616  
San Antonio, TX 78205

The Fiscal Agent agrees to accept and act upon Electronic Notice of written instructions and/or directions pursuant to this Funding Loan Agreement.

(b) The Fiscal Agent shall provide to the Funding Lender, and the Governmental Lender (i) prompt notice of the occurrence of any Event of Default pursuant to Section 6.01 hereof and (ii) any written information or other written communication received by the Fiscal Agent hereunder within ten (10) Business Days of receiving a written request from the Funding Lender for any such information or other communication.

Section 11.05. ***Intentionally omitted.***

Section 11.06. ***Payments Due on Non-Business Days.*** In any case where a date of payment with respect to the Funding Loan shall be a day other than a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no interest shall accrue for the period after such date provided that payment is made on such next succeeding Business Day.

Section 11.07. ***Counterparts.*** This Funding Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.08. ***Laws Governing Funding Loan Agreement.*** The effect and meanings of this Funding Loan Agreement and the rights of all parties hereunder shall be governed by, and construed according to, the internal laws of the State without regard to conflicts of laws principles. The Fiscal Agent's rights, duties, power and obligations hereunder are governed entirely by the terms and provisions of this Funding Loan Agreement, the Project Loan Agreement and the Tax Regulatory Agreement. The parties hereby (i) irrevocably submit to the exclusive jurisdiction of the federal or state courts sitting in Texas, (ii) waive any objection to laying of venue in any such action or proceeding in such courts, and (iii) waive any objection that such courts are an inconvenient forum or do not have jurisdiction over any party.

Section 11.09. ***No Recourse.*** No recourse under or upon any obligation, covenant or agreement contained in this Funding Loan Agreement or in the Governmental Note shall be had against any member, officer, commissioner, director or employee (past, present or future) of the Governmental Lender, either directly or through the Governmental Lender or its governing body or otherwise, for the payment for or to the Governmental Lender or any receiver thereof, or for or to the Funding Lender, or otherwise, of any sum that may be due and unpaid by the Governmental Lender or its governing body upon the Governmental Note. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such member, officer, commissioner, director or employee, as such, to respond by reason of any act or omission on his/her part or otherwise, for the payment for or to the Funding Lender or otherwise of any sum that may remain due and unpaid with respect to the Funding Loan hereby secured is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of this Funding Loan Agreement and the delivery of the Governmental Note.

Section 11.10. ***Successors and Assigns.*** All the covenants and representations contained in this Funding Loan Agreement by or on behalf of the parties hereto shall bind and inure to the benefit of their successors and assigns, whether so expressed or not.

[Signature Pages Follow]

**IN WITNESS WHEREOF**, the Governmental Lender, the Initial Funding Lender and the Fiscal Agent have caused this Funding Loan Agreement to be executed and delivered by duly authorized officers thereof as of the day and year first written above.

**TEXAS DEPARTMENT OF HOUSING AND  
COMMUNITY AFFAIRS**, as Governmental  
Lender

By: \_\_\_\_\_  
Name: James B. "Beau" Eccles  
Title: Secretary to the Board

**INTERNATIONAL BANK OF COMMERCE,**  
a Texas state banking corporation,  
as Initial Funding Lender

By: \_\_\_\_\_  
Name: Wallace L. Reed, IV  
Title: President

**WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Fiscal Agent**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## EXHIBIT A

### FORM OF GOVERNMENTAL NOTE

#### MULTIFAMILY NOTE

**THE STATE OF TEXAS IS NOT OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS MULTIFAMILY NOTE. THE FAITH, CREDIT OR TAXING POWER OF THE STATE OF TEXAS IS NOT PLEDGED, GIVEN OR LOANED TO PAYMENT OF THIS MULTIFAMILY NOTE'S PRINCIPAL OR INTEREST.**

US \$[5,000,000]

Dated Date: [\_\_\_\_\_] 1, 2026

No. \_\_\_\_\_

Texas Department of Housing and Community Affairs  
Multifamily Housing Governmental Note  
(Murdeaux Villas) Series 2026

FOR VALUE RECEIVED, the undersigned, TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (the “**Governmental Lender**”), promises to pay (but solely from the sources and in the manner provided for in the Funding Loan Agreement referenced below) to the order of INTERNATIONAL BANK OF COMMERCE, (the “**Funding Lender**”), and its assigns, the principal sum of [FIVE] MILLION DOLLARS (US \$[5,000,000].00), plus premium, if any, and interest thereon and to pay the other amounts owing from time to time hereunder, all as set forth below.

This Multifamily Note (this “**Note**”) is being delivered pursuant to that certain Funding Loan Agreement dated as of [\_\_\_\_\_] 1, 2026 (together with any and all amendments, modifications, supplements and restatements, the “**Funding Loan Agreement**”), among the Funding Lender, the Governmental Lender and WILMINGTON TRUST, NATIONAL ASSOCIATION (the “**Fiscal Agent**”), pursuant to which the Governmental Lender has incurred a loan in the aggregate principal amount of \$[5,000,000] (the “**Funding Loan**”), and this Note is entitled to the benefits of the Funding Loan Agreement and is subject to the terms, conditions and provisions thereof. The Governmental Lender is using the proceeds of the Funding Loan to make a loan to Murdeaux Rehab Development, LP (the “**Borrower**”), pursuant to the Project Loan Agreement dated as of [\_\_\_\_\_] 1, 2026 (the “**Project Loan Agreement**”), among the Governmental Lender, the Borrower and the Fiscal Agent.

1. **Defined Terms.** As used in this Note, (i) the term “Funding Lender” means the holder of this Note, and (ii) the term “Indebtedness” means the principal of, premium, if any, and interest on or any other amounts due at any time under this Note or the Funding Loan Agreement. “Event of Default” and other capitalized terms used but not defined in this Note shall have the meanings given to such term in the Funding Loan Agreement.

2. **Payments of Principal and Interest.** The Governmental Lender shall pay (but solely from the sources and in the manner provided for in the Funding Loan Agreement) on the first calendar day of each month commencing [\_\_\_\_\_] 1, 2026, interest on this Note at, except as

otherwise provided in Section 14 of this Note, the Interest Rate, and shall also pay interest on this Note at the applicable interest rate on the date of any optional or mandatory prepayment or acceleration of all or part of the Funding Loan pursuant to the Funding Loan Agreement, in an amount equal to the accrued and unpaid interest to the date of prepayment on the portion of this Note subject to prepayment (each such date for payment an “**Interest Payment Date**”).

The Governmental Lender shall pay (but solely from the sources and in the manner provided for in the Funding Loan Agreement) the outstanding principal of this Note in full on [MATURITY DATE] (the “**Maturity Date**”) or at such earlier times and in such amounts as may be required, in the event of an optional or mandatory prepayment or acceleration of the Funding Loan pursuant to the Funding Loan Agreement. The outstanding principal hereof is subject to acceleration at the time or times and under the terms and conditions, and with notice, if any, as provided under the Funding Loan Agreement.

3. **Manner of Payment.** All payments under this Note shall be made in lawful currency of the United States and in immediately available funds as provided for herein and in the Funding Loan Agreement.

4. **Application of Payments.** If at any time the Funding Lender receives any amount applicable to the Indebtedness which is less than all amounts due and payable at such time, the Funding Lender may apply that payment to amounts then due and payable in any manner and in any order determined by the Funding Lender, in the Funding Lender’s discretion. Neither the Funding Lender’s acceptance of a payment in an amount that is less than all amounts then due and payable nor the Funding Lender’s application of such payment shall constitute or be deemed to constitute either a waiver of the unpaid amounts or an accord and satisfaction.

5. **Security.** The Indebtedness is secured by, among other things, the Pledged Security pledged pursuant to the Funding Loan Agreement.

6. **Acceleration.** If an Event of Default has occurred and is continuing, the entire unpaid principal balance, any accrued interest, and all other amounts payable under this Note shall at once become due and payable, at the option of the Funding Lender, as governed by the Funding Loan Agreement, without any prior notice to the Governmental Lender (unless required by applicable law). The Funding Lender may exercise this option to accelerate regardless of any prior forbearance.

7. **Prepayment; Prepayment Premium.** This Note is subject to prepayment as specified in the Funding Loan Agreement. Prepayment Premium shall be payable as specified in the Funding Loan Agreement.

8. **Forbearance.** Any forbearance by the Funding Lender in exercising any right or remedy under this Note or any other document evidencing or securing the Funding Loan or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of that or any other right or remedy. The acceptance by the Funding Lender of any payment after the due date of such payment, or in an amount which is less than the required payment, shall not be a waiver of the Funding Lender’s right to require prompt payment when due of all other payments or to exercise any right or remedy with respect to any failure to make prompt payment.

Enforcement by the Funding Lender of any security for the obligations under this Note shall not constitute an election by the Funding Lender of remedies so as to preclude the exercise of any other right or remedy available to the Funding Lender.

9. **Waivers.** Presentment, demand, notice of dishonor, protest, notice of acceleration, notice of intent to demand or accelerate payment or maturity, presentment for payment, notice of nonpayment, grace and diligence in collecting the Indebtedness are waived by the Governmental Lender and all endorsers and guarantors of this Note and all other third-party obligors.

10. **Loan Charges.** Neither this Note nor any of the other Financing Documents will be construed to create a contract for the use, forbearance, or detention of money requiring payment of interest at a rate greater than the rate of interest which results in the maximum amount of interest allowed by applicable law pursuant to Chapter 1204 of the Texas Government Code (the “**Maximum Interest Rate**”). If any applicable law limiting the amount of interest or other charges permitted to be collected from Governmental Lender in connection with the Funding Loan is interpreted so that any interest or other charge provided for in any Financing Document, whether considered separately or together with other charges provided for in any other Financing Document, violates that law, and Governmental Lender is entitled to the benefit of that law, that interest or charge is hereby reduced to the extent necessary to eliminate that violation. The amounts, if any, previously paid to Funding Lender in excess of the permitted amounts will be applied by Funding Lender to reduce the unpaid principal balance of this Note. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Governmental Lender has been violated, all indebtedness that constitutes interest, as well as all other charges made in connection with the indebtedness that constitute interest, will be deemed to be allocated and spread ratably over the stated term of this Note. Unless otherwise required by applicable law, such allocation and spreading will be effected in such a manner that the rate of interest so computed is uniform throughout the stated term of this Note.

11. **Governing Law.** This Note shall be governed by the internal law of the State of Texas (the “**Property Jurisdiction**”).

12. **Captions.** The captions of the paragraphs of this Note are for convenience only and shall be disregarded in construing this Note.

13. **Address for Payment.** All payments due under this Note shall be payable at the principal office of the Funding Lender as designated by the Funding Lender in writing to the Fiscal Agent.

14. **Default Rate.** So long as (a) any monthly installment under this Note remains past due, or (b) any other Event of Default has occurred and is continuing, interest under this Note shall accrue on the unpaid principal balance from the earlier of the due date of the first unpaid monthly installment or the occurrence of such other Event of Default, as applicable, at a rate (the “**Default Rate**”) equal to the lesser of (i) eighteen percent (18%) per annum, or (ii) the Maximum Interest Rate. If the unpaid principal balance and all accrued interest are not paid in full on the Maturity Date, the unpaid principal balance and all accrued interest shall bear interest from the Maturity Date at the Default Rate.

**15. Limited Obligation.** NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, ANY OBLIGATION THAT THE GOVERNMENTAL LENDER MAY INCUR UNDER THE FUNDING LOAN AGREEMENT OR UNDER ANY INSTRUMENT EXECUTED IN CONNECTION THEREWITH THAT SHALL ENTAIL THE EXPENDITURE OF MONEY SHALL NOT BE A GENERAL OBLIGATION OF THE GOVERNMENTAL LENDER, BUT SHALL BE A LIMITED OBLIGATION PAYABLE SOLELY FROM THE PLEDGED SECURITY. THIS NOTE SHALL CONSTITUTE A VALID CLAIM OF THE HOLDER HEREOF AGAINST THE PLEDGED SECURITY, WHICH IS PLEDGED TO SECURE THE PAYMENT OF PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THIS NOTE AND WHICH SHALL BE UTILIZED FOR NO OTHER PURPOSE, EXCEPT AS EXPRESSLY AUTHORIZED IN THE FUNDING LOAN AGREEMENT. THIS NOTE SHALL BE A LIMITED OBLIGATION OF THE GOVERNMENTAL LENDER GIVING RISE TO NO CHARGE AGAINST THE GOVERNMENTAL LENDER'S GENERAL CREDIT AND PAYABLE SOLELY FROM, AND CONSTITUTE CLAIMS OF THE HOLDERS THEREOF AGAINST ONLY, THE PLEDGED SECURITY. PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE DEBT OF THE GOVERNMENTAL LENDER (EXCEPT TO THE EXTENT OF THE PLEDGED SECURITY). THIS NOTE IS NOT AND DOES NOT CREATE OR CONSTITUTE IN ANY WAY AN OBLIGATION, A DEBT OR A LIABILITY OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF, OR CREATE OR CONSTITUTE A PLEDGE, GIVING OR LENDING OF THE FAITH, CREDIT, OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE GOVERNMENTAL LENDER HAS NO TAXING POWER.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS NOTE OR FOR ANY CLAIM BASED ON THIS NOTE, OR OTHERWISE IN RESPECT OF THIS NOTE, OR BASED ON OR IN RESPECT OF THE FUNDING LOAN AGREEMENT OR ANY SUPPLEMENTAL FUNDING LOAN AGREEMENT, AGAINST THE GENERAL CREDIT OF THE GOVERNMENTAL LENDER OR AGAINST ANY PAST, PRESENT OR FUTURE GOVERNING BOARD MEMBER, DIRECTOR, OFFICER, AGENT OR EMPLOYEE OF THE GOVERNMENTAL LENDER, OR OF ANY SUCCESSOR TO THE GOVERNMENTAL LENDER, AS SUCH, EITHER DIRECTLY OR THROUGH THE GOVERNMENTAL LENDER OR ANY SUCCESSOR TO THE GOVERNMENTAL LENDER, UNDER ANY RULE OF LAW OR EQUITY, STATUTE OR CONSTITUTION OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, AND ALL SUCH LIABILITY OF ANY SUCH GOVERNING BOARD MEMBERS, DIRECTORS, OFFICERS, AGENTS OR EMPLOYEES, AS SUCH, IS HEREBY EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF, AND CONSIDERATION FOR, THE EXECUTION AND ISSUANCE OF THIS NOTE.

**16. Funding Loan Agreement Controlling.** The terms of this Note are subject in all respects to the terms of the Funding Loan Agreement. If there is a conflict between the provisions of this Note and the Funding Loan Agreement, the Funding Loan Agreement shall control.

THIS NOTE SHALL NOT BE ENTITLED to any benefit under the Funding Loan Agreement or be valid or obligatory for any purpose until the Fiscal Agent shall have executed the Certificate of Authentication appearing hereon.

IN WITNESS WHEREOF, the Governmental Lender has caused this Governmental Note to be duly executed in the name of the Governmental Lender under its official seal and by the manual or facsimile signature of its Chair or Vice Chair, and attested by the manual or facsimile signature of its Secretary, as of the date shown above.

TEXAS DEPARTMENT OF HOUSING AND  
COMMUNITY AFFAIRS

(SEAL)

By: \_\_\_\_\_  
[Vice] Chair

ATTEST:

By: \_\_\_\_\_  
Secretary

## **CERTIFICATE OF AUTHENTICATION**

This Multifamily Note is issued under the provisions of and described in the within-mentioned Funding Loan Agreement.

Date of Authentication: \_\_\_\_\_

WILMINGTON TRUST, NATIONAL  
ASSOCIATION

By: \_\_\_\_\_  
Authorized Signer

**EXHIBIT B**

**RESERVED**

## EXHIBIT C

### FORM OF TRANSFeree REPRESENTATIONS LETTER

[To be prepared on letterhead by transferee]

[Date]

Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701  
Attention: Teresa Morales

Wilmington Trust, National Association  
15950 North Dallas Parkway, Suite 200  
Dallas, TX 75248  
Attention: \_\_\_\_\_

**Re:** Murdeaux Villas

Ladies and Gentlemen:

The undersigned representative of \_\_\_\_\_ (the “Funding Lender”), the funding lender of the Texas Department of Housing and Community Affairs Multifamily Housing Governmental Note (Murdeaux Villas), Series 2026, dated as of [\_\_\_\_\_] 1, 2026] (the “Governmental Note”), does hereby certify, represent and warrant for the benefit of the Texas Department of Housing and Community Affairs (the “Governmental Lender”) and Wilmington Trust, National Association, as fiscal agent (the “Fiscal Agent”), that the Funding Lender is a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933, as amended (a “QIB”).

The Funding Lender hereby acknowledges, represents, and warrants to, and agrees with, the Governmental Lender and the Fiscal Agent, as follows:

(1) The Funding Lender is purchasing the Governmental Note with its own funds (or with funds from accounts over which it has sole investment authority) and not the funds of any other person, and for its own account (or for accounts over which it has sole investment authority) and not as nominee or agent for the account of any other person and not with a view to any distribution thereof, other than the deposit of the Governmental Note in a custodial or trust arrangement each of the beneficial owners of which shall be required to be a QIB.

(2) The Funding Lender has such knowledge and experience in business and financial matters and with respect to the purchase and ownership of multifamily housing revenue bonds, tax-exempt securities and other investment vehicles similar in character to the Governmental Note, so as to enable it to understand and evaluate the risks of such investments and form an investment decision with respect thereto, the Funding Lender has no need for liquidity in such investment and the Funding Lender is (or any account for which it is purchasing is) able to bear the risk of such investment for an indefinite period and to afford a complete loss thereof.



(3) The Funding Lender acknowledges that it has been provided with, and has had the opportunity to review, the documents relating to the issuance of the Governmental Note by the Governmental Lender. The Funding Lender either has been supplied with or has had access to information, including financial statements, and other financial information, and has had the opportunity to ask questions and receive answers from individuals concerning the Governmental Lender, Murdeaux Rehab Development, LP (the “Borrower”), and its credit standing, the Borrower Loan Agreement dated as of [\_\_\_\_\_] 1, 2026], between the Governmental Lender and the Borrower (the “Borrower Loan Agreement”), the Funding Loan Agreement dated as of [\_\_\_\_\_] 1, 2026], among the Governmental Lender, International Bank of Commerce, as funding lender and the Fiscal Agent (the “Funding Loan Agreement”), and the Governmental Note so that, as a sophisticated investor, the Funding Lender has been able to make its decision to purchase the Governmental Note.

(4) The Funding Lender has had the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information it may request.

(5) The Funding Lender is a nationally- or state-chartered bank that regularly extends credit to state and local governments by making loans the repayment obligations under which are evidenced by obligations such as the Governmental Note; has knowledge and experience in financial and business matters that make it capable of evaluating the Borrower, the Governmental Note and the risks associated with the extension of credit evidenced by the Governmental Note; and has the ability to bear the economic risk of extending the credit evidenced by the Governmental Notes. The Funding Lender is not acting as a broker, dealer, municipal securities underwriter, municipal advisor or fiduciary in connection with its extension of credit evidenced by the Governmental Notes.

(6) The Funding Lender acknowledges that (a) the Governmental Note (i) has not been registered under the Securities Act of 1933, as amended, (ii) has not been registered or otherwise qualified for sale under the securities laws of any state, and (iii) will not be listed on any securities exchange and (b) there is no established market for the Governmental Note and that none is likely to develop.

(7) THE FUNDING LENDER UNDERSTANDS THAT:

(i) NEITHER THE STATE OF TEXAS NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS, SHALL BE LIABLE OR OBLIGATED (GENERAL, SPECIALLY, MORALLY OR OTHERWISE) TO PAY THE PRINCIPAL OF THE GOVERNMENTAL NOTE OR THE PREMIUM, IF ANY, OR INTEREST THEREON, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE GOVERNMENTAL NOTE; AND

(ii) THE GOVERNMENTAL LENDER HAS NO TAXING POWER AND PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THE GOVERNMENTAL NOTE ARE PAYABLE SOLELY OUT OF THE MONEYS TO BE RECEIVED BY THE

FISCAL AGENT ON BEHALF OF THE GOVERNMENTAL LENDER UNDER THE BORROWER LOAN AGREEMENT AND AMOUNTS ON DEPOSIT IN THE FUNDS AND ACCOUNTS ESTABLISHED AND PLEDGED UNDER THE FUNDING LOAN AGREEMENT.

(8) The Funding Lender understands that in connection with any proposed transfer or exchange of the Governmental Note, there must be delivered to the Fiscal Agent a letter of the transferee in substantially the same effect as this letter or otherwise as permitted under the Funding Loan Agreement.

(9) The Funding Lender understands that, in connection with any proposed transfer of the Governmental Note, such transfer must be limited to an Eligible Funding Lender. "Eligible Funding Lender" means a prospective transferee that the Funding Lender has clear grounds to believe and does believe can make representations with respect to itself to substantially the same effect as the representations set forth herein.

**(10) THE FUNDING LENDER INDEMNIFIES THE GOVERNMENTAL LENDER AND THE FISCAL AGENT AGAINST ANY AND ALL LIABILITY, COST OR EXPENSE (INCLUDING ATTORNEYS' FEES) THAT RESULT IF THE REPRESENTATIONS CONTAINED IN THE FUNDING LENDER'S TRANSFEREE REPRESENTATIONS LETTER ARE FALSE IN ANY MATERIAL RESPECT.**

(11) The Funding Lender is acquiring 100% of the Governmental Note.

The Funding Lender has conducted its own investigation to the extent it deemed necessary. The Funding Lender has been offered an opportunity to have made available to it any and all such information it might request from the Governmental Lender and the Borrower. On this basis, it is agreed by the Funding Lender that the Funding Lender is not relying on any other party or person to undertake the furnishing or verification of information related to the referenced transaction.

The Governmental Note for this Funding Lender should be registered with the Fiscal Agent as follows and an executed W-9 has been attached:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Tax ID #: \_\_\_\_\_

Payment instructions: ( ) wire ( ) check

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This letter and the representations and agreements contained herein are made for your benefit.

20\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand the \_\_\_\_ day of \_\_\_\_\_,

[SIGNATURE BLOCK]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT D

### COSTS OF ISSUANCE REQUISITION (Cost of Issuance Fund)

Wilmington Trust, National Association, as Fiscal Agent

Re: Murdeaux Villas

Fiscal Agent:

You are requested to disburse funds from the Cost of Issuance Fund pursuant to Section 4.13 of the Funding Loan Agreement in the amount(s), to the person(s) and for the purpose(s) set forth in this requisition (the “**Requisition**”). The terms used in this requisition shall have the meaning given to those terms in the Funding Loan Agreement (the “**Funding Loan Agreement**”), dated as of [\_\_\_\_\_] 1, 2026 (the “**Funding Loan Agreement**”), among INTERNATIONAL BANK OF COMMERCE, in its capacity as Initial Funding Lender (the “**Initial Funding Lender**”), the TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (the “**Governmental Lender**”) and WILMINGTON TRUST, NATIONAL ASSOCIATION (the “**Fiscal Agent**”), securing the Governmental Lender’s Multifamily Housing Governmental Note (Murdeaux Villas), Series 2026, dated [\_\_\_\_\_] 1, 2026 (the “**Governmental Note**”).

REQUISITION NO.:

PAYMENT DUE TO:

AMOUNT TO BE DISBURSED: \$

The undersigned, on behalf of Murdeaux Rehab Development, LP, a limited partnership duly organized and existing under the laws of the State of Texas (the “**Borrower**”), certifies that:

(a) the expenditures for which money is requisitioned by this Requisition represent proper charges against the Cost of Issuance Fund, have not been included in any previous requisition and are set forth in the Schedule attached to this Requisition, with invoices attached for any sums for which reimbursement is requested; and

(b) the money requisitioned is not greater than those necessary to meet obligations due and payable or to reimburse the applicable party for funds actually advanced for Costs of Issuance; and

(c) including amounts paid pursuant to this Requisition, not more than 2% of the sales proceeds of the Funding Loan will have been used for Costs of Issuance.

Attached to this Requisition is a Schedule, together with copies of invoices or bills of sale covering all items for which payment is being requested.

Date of Requisition: \_\_\_\_\_

**MURDEAUX REHAB DEVELOPMENT, LP,**  
a Texas limited partnership

By: Murdeaux Rehab Development GP, LLC,  
a Texas limited liability company,  
its general partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT E

### PROJECT LOAN FUND REQUISITION (Project Loan Fund)

Wilmington Trust, National Association, as Fiscal Agent

Re: Murdeaux Villas

You are requested to disburse funds from the Project Loan Fund pursuant to Section 4.02 of the Funding Loan Agreement in the amount(s), to the person(s) and for the purpose(s) set forth in this requisition (the “**Requisition**”). Except as provided herein, the terms used in this requisition shall have the meaning given to those terms in the Funding Loan Agreement (the “**Funding Loan Agreement**”), dated as of [\_\_\_\_\_] 1, 2026 (the “**Funding Loan Agreement**”), among INTERNATIONAL BANK OF COMMERCE, in its capacity as Initial Funding Lender (the “**Initial Funding Lender**”), the TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (the “**Governmental Lender**”) and WILMINGTON TRUST, NATIONAL ASSOCIATION (the “**Fiscal Agent**”), securing the Governmental Lender’s Multifamily Housing Governmental Note (Murdeaux Villas), Series 2026, dated [\_\_\_\_\_] 1, 2026 (the “**Governmental Note**”).

REQUISITION NO.:

PAYMENT DUE TO:

AMOUNT(S) TO BE DISBURSED: \$ \_\_\_\_\_ from the Project Account  
\$ \_\_\_\_\_ from the Borrower Equity Account

The undersigned Borrower hereby represents and warrants that the following information and certifications provided in connection with this Requisition are true and correct as of the date hereof:

1. Purposes for which disbursement is requested are specified in the **attached Schedule**.
2. Party or parties to whom the disbursements shall be made are specified in the **attached Schedule** (may be the undersigned in the case of reimbursement for advances and payments made or cost incurred for work done by the undersigned); provided, that no reimbursement shall be made for advances and payments made prior to June 25, 2020).
3. The undersigned certifies that:
  - a. the conditions precedent to disbursement set forth in the Continuing Covenant Agreement have been satisfied;
  - b. the disbursement requested pursuant to this Requisition will be used solely to pay a cost or costs allowable under the Funding Loan Agreement and the Continuing Covenant Agreement;

- c. none of the items for which disbursement is requested pursuant to this Requisition has formed the basis for any disbursement previously made from the Project Loan Fund and all such items have been properly recorded in Borrower's books and are set forth on the Schedule attached hereto, along with paid invoices attached for any sum for which reimbursement is requested and invoices or bills of sales for all other items;
- d. all labor and materials for which disbursements have been requested have been incorporated into the Project in accordance with reasonable and standard building practices, the Continuing Covenant Agreement and all applicable laws, ordinances, rules and regulations of any governmental authority having jurisdiction over the Project;
- e. the materials, supplies and equipment furnished or installed for the Improvements are not subject to any lien or security interest or that the funds to be disbursed pursuant to this Requisition are to be used to satisfy any such lien or security interest;
- f. all of the funds being requisitioned are being used in compliance with all tax covenants set forth in the Funding Loan Agreement, the Project Loan Agreement, the Tax Regulatory Agreement and the Tax Exemption Agreement that relate to the tax-exempt status of the Funding Loan, including that none of the proceeds of the Funding Loan (including investment earnings thereon) will be used to provide an airplane, a skybox or any other private luxury box, any facility primarily used for gambling, health club facility or any store the principal business of which is the sale of alcoholic beverages for consumption off premises;
- g. If this Requisition is not the Final Requisition from the Project Loan Fund, upon achieving completion of the rehabilitation, not less than 95% of the Net Proceeds (as defined in the Tax Exemption Agreement) of the Governmental Note will have been used for Qualified Project Costs (as defined in the Tax Exemption Agreement); or

If this Requisition is the Final Requisition from the Project Loan Fund, not less than 95% of the sum of (A) the amounts requisitioned by this Requisition to be paid from the Project Account of the Project Loan Fund and (B) all amounts previously requisitioned and paid from the Net Proceeds (as defined in the Tax Exemption Agreement) of the Governmental Note will have been used for Qualified Project Costs (as defined in the Tax Exemption Agreement);

- h. Borrower is not in default under the Project Loan Agreement, the Continuing Covenant Agreement or any other Project Loan Document to which it is a party and nothing has occurred to the knowledge of Borrower that would prevent the performance of its obligations under such documents;

- i. no amounts being requisitioned hereby will be used to pay, or reimburse, any Costs of Issuance incurred in connection with the delivery of the Governmental Note or pay debt service with respect to the Loans; and
- j. Funds deposited with Borrower for further disbursement to third parties shall be paid to such third parties by check or wire dated the date of such deposit and Borrower reasonably expects such funds will be disbursed from its account within five Business Days of such deposit.

[Following items may not be required for Initial Disbursement]

4. Estimated costs of completing the uncompleted rehabilitation as of the date of this Requisition: \_\_\_\_\_.
5. Percent of rehabilitation completed as of the date this request: \_\_\_\_\_ %

IN WITNESS WHEREOF, the undersigned has executed this Requisition as of the day and date below.

Date: \_\_\_\_\_

**MURDEAUX REHAB DEVELOPMENT, LP,**  
a Texas limited partnership

By: Murdeaux Rehab Development GP, LLC,  
a Texas limited liability company,  
its general partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**APPROVED:**

**INTERNATIONAL BANK OF COMMERCE,**  
a Texas state banking corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

INITIAL FUNDING LENDER'S APPROVAL OF A REQUISITION DOES NOT  
CONSTITUTE ANY ACKNOWLEDGEMENT OR REPRESENTATION ON BEHALF OF



INITIAL FUNDING LENDER THAT THE FUNDS DISBURSED BY FISCAL AGENT ARE BEING USED FOR SO-CALLED “GOOD COSTS” FOR PURPOSES OF THE USES OF BOND PROCEEDS IN COMPLIANCE WITH THE INTERNAL REVENUE CODE.