

**STANDARD RESOLUTION PROVISIONS
APPLICABLE TO MTA AND TBTA
SECOND LIEN PMT OBLIGATIONS AND SECOND LIEN PARITY DEBT**

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STANDARD RESOLUTION PROVISIONS
APPLICABLE TO MTA AND TBTA
SECOND LIEN PMT OBLIGATIONS AND SECOND LIEN PARITY DEBT

ARTICLE B-I

DEFINITIONS AND STATUTORY AUTHORITY

Section B-101 Definitions. Capitalized terms used but not otherwise defined in this Annex B shall have the meanings set forth in the Resolution to which this Annex B is appended. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the Resolution to which this Annex B is appended, have the following meanings:

Accrued Second Lien Debt Service shall mean, as of any date of calculation, an amount equal to the sum of the amounts of accrued and unpaid Second Lien Obligation Debt Service with respect to all Second Lien Obligations and Second Lien Parity Debt, calculating the accrued Second Lien Obligation Debt Service with respect to Second Lien Obligations at an amount equal to the sum of (i) as estimated by an Authorized Officer, interest on the Second Lien Obligations and interest components of Second Lien Parity Debt accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Second Lien Obligation Principal Installments due and unpaid and that portion of the Second Lien Obligation Principal Installment for such Second Lien Obligations and Second Lien Parity Debt next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Second Lien Obligation Debt Service) to the end of such calendar month. For purposes of calculating deposits relating to Second Lien Debt Service Fund, Second Lien Obligation Principal Installments shall not include amounts that an Authorized Officer has notified the Second Lien Trustee are to be paid from sources other than the Mobility Tax Receipts and ATA Receipts, nor shall Accrued Second Lien Debt Service include any amounts that, as certified by an Authorized Officer, have been set aside hereunder or otherwise in trust for the payment thereof.

Balloon Second Lien Obligations shall mean Second Lien Obligations which have been identified in a Certificate of Determination as a Balloon Second Lien Obligation. Such Certificate of Determination shall set forth the expected refinancing, including the expected ultimate final maturity and amortization schedule of the refinancing or refinancings of such Balloon Second Lien Obligation (including successor Balloon Obligations or Balloon Second Lien Obligations) and the Estimated Average Interest Rate for purposes of determining Calculated Second Lien Debt Service of such Balloon Second Lien Obligation.

Calculated Second Lien Debt Service for any period shall mean, as of any date of calculation and with respect to any Series of Second Lien Obligations or any Second Lien Parity Debt, the sum of Second Lien Obligation Debt Service for such period determined by the Issuer based on the following adjustments:

- (i) Interest on Variable Interest Rate Second Lien Obligations shall be based on the Second Lien Obligation Estimated Average Interest Rate applicable thereto.

(ii) Interest on any Second Lien Obligations or Second Lien Parity Debt in respect of which the Issuer has entered into a Qualified Second Lien Swap shall be based on:

(a) the fixed rate or rates of the Qualified Second Lien Swap if the Issuer has entered into what is generally referred to as a “floating-to-fixed” Qualified Second Lien Swap (where the Issuer pays a fixed rate and receives a floating rate); or

(b) the lower of (i) the Second Lien Obligation Estimated Average Interest Rate and (ii) the effective capped rate of any Second Lien Obligations or Second Lien Parity Debt if the Issuer has entered into a Qualified Second Lien Swap that is generally referred to as an “interest rate cap” (where the Issuer receives a payment if a variable rate exceeds a certain amount); or

(c) the Second Lien Obligation Estimated Average Interest Rate of the Qualified Second Lien Swap if the Issuer has entered into either what is generally referred to as a “fixed-to-floating” Qualified Second Lien Swap (where the Issuer pays a variable rate and receives a fixed rate) or a “floating-to-floating” Qualified Second Lien Swap (where the Issuer pays a variable rate and receives a different variable rate).

(i) With respect to Second Lien Put Obligations and Balloon Second Lien Obligations of a Series (i) Principal Installments shall be deemed to amortize over a 30-year period from their date of issuance based on substantially level debt service as estimated by the Issuer, and (ii) interest shall be based on the actual interest rate or the Estimated Average Interest Rate, as applicable, or for both (i) and (ii) above, as otherwise set forth in a Supplemental Resolution or Certificate of Determination with respect to the issuance of such Second Lien Obligations.

(ii) If the Issuer has irrevocably deposited Authorized Investments or money with the Second Lien Trustee (or otherwise in trust) for the payment of any portion of Second Lien Obligation Debt Service, the expected future cash flow from such Authorized Investments and money shall be deducted from Second Lien Obligation Debt Service.

(iii) If the Issuer has, at any time, irrevocably called for redemption one or more Series of Second Lien Obligations, including pursuant to a covenant to apply any portion of the Second Lien Obligations Trust Estate to redeem Second Lien Obligations or Second Lien Parity Debt (which particular Second Lien Obligations or Second Lien Parity Debt need not be specifically identified in advance, except as to interest rate and maturity), the Issuer shall take into account such redemption for purposes of determining Calculated Second Lien Debt Service.

(iv) With respect to Parity Reimbursement Second Lien Obligations, accelerated payments of principal shall only be taken into account if, at the time of calculation, such amounts are payable due to a draw under a credit or liquidity facility.

Capital Appreciation Second Lien Obligations shall mean any Second Lien Obligations denominated as such and issued as to which interest is payable only at the maturity or prior redemption of such Second Lien Obligations. Except as otherwise provided by Supplemental Resolution, for the purposes of (i) receiving payment of the Second Lien Obligation Redemption Price if Capital Appreciation Second Lien Obligations are redeemed prior to maturity, (ii) computing the principal amount of Second Lien Obligations held by the registered owner of a Capital Appreciation Second Lien Obligations in giving to the Issuer or the Second Lien Trustee any notice, consent, request, or demand pursuant to the Resolution for any purpose whatsoever or (iii) computing Second Lien Obligation Debt Service, the principal amount of a Capital Appreciation Second Lien Obligations shall be deemed to be its Second Lien Obligation Accreted Value (which in the case of clause (ii) may be the Second Lien Obligation Accreted Value as of the immediately preceding Second Lien Obligation Valuation Date).

Certificate of Determination, when used with reference to Second Lien Obligations or Second Lien Parity Debt, shall mean a certificate of an Authorized Officer of the Issuer fixing terms, conditions and other details of Second Lien Obligations, Second Lien Parity Debt, Second Lien Obligation Anticipation Notes or Second Lien Obligation Credit Facilities or such other matters in accordance with the delegation of power to do so under the Resolution or a Supplemental Resolution.

Deferred Income Second Lien Obligations shall mean any Second Lien Obligations (A) as to which interest accruing thereon prior to the Second Lien Obligation Interest Commencement Date of such Second Lien Obligations is (i) compounded on each Second Lien Obligation Valuation Date for such Deferred Income Second Lien Obligations and (ii) payable only at the maturity or prior redemption of such Second Lien Obligations and (B) as to which interest accruing after the Second Lien Obligation Interest Commencement Date is payable on the first interest payment date succeeding the Second Lien Obligation Interest Commencement Date and periodically thereafter on the dates specified in or determined by Supplemental Resolution. Except as otherwise provided by Supplemental Resolution, for the purposes of (i) receiving payment of the Second Lien Obligation Redemption Price if Deferred Income Second Lien Obligations are redeemed prior to maturity, (ii) computing the principal amount of Second Lien Obligations held by the registered owner of a Deferred Income Second Lien Obligations in giving to the Issuer or the Second Lien Trustee any notice, consent, request, or demand pursuant to the Resolution for any purpose whatsoever or (iii) computing Second Lien Obligation Debt Service, the principal amount of a Deferred Income Second Lien Obligations shall be deemed to be its Second Lien Obligation Appreciated Value (which in the case of clause (ii) may be the Second Lien Obligation Appreciated Value as of the immediately preceding Second Lien Obligation Valuation Date).

DTC has the meaning provided in Section B-309.

Fiduciary or Fiduciaries, when used with reference to Second Lien Obligations or Second Lien Party Debt, shall mean the Trustee, the Second Lien Trustee, any Registrar or Second Lien Registrar, any Paying Agent, any Second Lien Paying Agent, any tender agent or any or all of them, as may be appropriate, or any Person appointed to act as a Fiduciary as provided in the Resolution.

Issuer Act, when used with reference to Second Lien Obligations or Second Lien Parity Debt, shall mean the MTA Act in the event that the MTA is defined in the Resolution as the Issuer or the TBTA Act in the event that the TBTA is defined in the Resolution as the Issuer, together with any other applicable law of the State authorizing the issuance of the related Second Lien Obligations by the Issuer or expressly limiting the issuance thereof or governing the security therefor.

Opinion of Bond Counsel, when used with reference to Second Lien Obligations or Second Lien Parity Debt, shall mean an opinion signed by Nixon Peabody LLP, D. Seaton and Associates, P.A., P.C., Orrick, Herrington & Sutcliffe LLP, and Bryant Rabbino LLP, or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of Second Lien Obligations by state and municipal entities, selected by the Issuer.

Outstanding, when used with reference to Second Lien Obligations or Second Lien Obligations of a Series, shall mean, as of any date, Second Lien Obligations or Second Lien Obligations of such Series theretofore or thereupon to be delivered under the Resolution except:

- (i) Any Second Lien Obligations canceled at or prior to such date;
- (ii) Second Lien Obligations the principal and Second Lien Obligation Redemption Price, if any, of and interest on which have been paid in accordance with the terms thereof;
- (iii) Second Lien Obligations in lieu of or in substitution for which other Second Lien Obligations shall have been delivered pursuant to Article B-III or Section B-406 or Section C-606;
- (iv) Second Lien Obligations deemed to have been paid as provided in subsection 2 of Section B-901;
- (v) Second Lien Put Obligations tendered or deemed tendered in accordance with the provisions of the Supplemental Resolution authorizing such Second Lien Obligations on the applicable tender date, if the Second Lien Obligation Purchase Price thereof and interest thereon shall have been paid or amounts are available and set aside for such payment as provided in such Supplemental Resolution, except to the extent such tendered Second Lien Put Obligations thereafter may be resold pursuant to the terms thereof and of such Supplemental Resolution; and
- (vi) For the purpose of any consent to be given or other action to be taken by or upon the direction of Second Lien Owners of a specified portion of Second Lien Obligations Outstanding, Second Lien Obligations excluded pursuant to Section B-908.

The principal component of any Second Lien Parity Debt shall be deemed to be Outstanding in a principal amount equal to the principal amount of the Second Lien Obligations then owed by the Issuer thereunder in lieu of the related Second Lien Obligations, regardless of the authorized amount of the principal component of such Second Lien Parity Debt or the related

Second Lien Obligations and provided that, unless otherwise required pursuant to the related Supplemental Resolution, the principal component of such Second Lien Parity Debt shall not by itself increase the Outstanding principal amount of Second Lien Obligations.

Parity Reimbursement Second Lien Obligation has the meaning provided in subsection 4 of Section B-202.

Parity Swap Second Lien Obligation has the meaning provided in subsection 6 of Section B-202.

Principal Office of the Second Lien Trustee shall mean the designated corporate trust office of the Second Lien Trustee.

Qualified Second Lien Swap shall mean, to the extent from time to time permitted by law, with respect to Second Lien Obligations, any financial arrangement (i) which is entered into by the Issuer with an entity that is a Qualified Second Lien Swap Provider at the time the arrangement is entered into, (ii) which is a cap, floor or collar; forward rate or future rate swap (such swap may be based on an amount equal either to the principal amount of such Second Lien Obligations of the Issuer as may be designated or a notional principal amount relating to all or a portion of the principal amount of such Second Lien Obligations); asset, index, price or market-linked transaction or agreement; other exchange or rate protection transaction agreement; other similar transaction (however designated); or any combination thereof; or any option with respect thereto, in each case executed by the Issuer for the purpose of moderating interest rate fluctuations, reducing debt service costs or creating either fixed interest rate Second Lien Obligations or Variable Interest Rate Second Lien Obligations on a synthetic basis or otherwise, and (iii) which has been designated in writing to the Second Lien Trustee by an Authorized Officer as a Qualified Second Lien Swap with respect to such Second Lien Obligations.

Qualified Second Lien Swap Provider shall mean an entity whose senior long-term obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating, or claims paying ability, or whose payment obligations under an interest rate exchange agreement are guaranteed by an entity whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating, or claims paying ability, are rated either at least as high as (i) the third highest Rating Category of each Rating Agency then maintaining a rating for the Qualified Second Lien Swap Provider or (ii) any such lower Rating Categories which each such Rating Agency indicates in writing to the Issuer and the Second Lien Trustee will not, by itself, result in a reduction or withdrawal of its rating on the Outstanding Second Lien Obligations subject to such Qualified Second Lien Swap that is in effect prior to entering into such Qualified Second Lien Swap.

Rating Agency, when used with reference to Second Lien Obligations or Second Lien Parity Debt, shall mean each nationally recognized statistical rating organization then maintaining a rating on the Second Lien Obligations at the request of the Issuer.

Rating Confirmation, when used with reference to Second Lien Obligations or Second Lien Parity Debt, shall mean evidence that no rating then in effect from a Rating Agency will be withdrawn or reduced solely as the result of an action to be taken hereunder; provided, however,

that no action requiring Rating Confirmation shall be undertaken unless at least one Rating Agency at that time maintains a rating on Second Lien Obligations.

Reimbursement Second Lien Obligations has the meaning provided in subsection 4 of Section B-202.

Responsible Second Lien Obligation Officer shall mean any officer assigned to the corporate trust office of the Second Lien Trustee, or any other officer of the Second Lien Trustee customarily performing functions similar to those performed by any of such officers and who has direct responsibility for the administration of the Resolution, and also, with respect to a particular matter, any other officer, to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

Second Lien Costs of Issuance shall mean Costs of Issuance as defined in the Standard Resolution Provisions relating to Second Lien Obligations, Second Lien Parity Debt or Second Lien Obligation Anticipation Notes.

Second Lien Obligation Accreted Value shall mean with respect to any Capital Appreciation Second Lien Obligations (i) as of any Second Lien Obligation Valuation Date, the amount set forth for such date in the Supplemental Resolution authorizing such Capital Appreciation Second Lien Obligations and (ii) as of any date other than a Second Lien Obligation Valuation Date, the sum of (a) the Second Lien Obligation Accreted Value on the preceding Second Lien Obligation Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Second Lien Obligation Valuation Date and the denominator of which is the number of days from such preceding Second Lien Obligation Valuation Date to the next succeeding Second Lien Obligation Valuation Date and (2) the difference between the Second Lien Obligation Accreted Values for such Second Lien Obligation Valuation Dates. For purposes of this definition, the number of days having elapsed from the preceding Second Lien Obligation Valuation Date and the number of days from the preceding Second Lien Obligation Valuation Date to the next succeeding Second Lien Obligation Valuation Date shall be calculated on the basis of a 360-day year of 12 30-day months, unless otherwise provided pursuant to a Supplemental Resolution.

Second Lien Obligation Anticipation Notes shall mean any such notes issued and delivered pursuant to Section B-203, except to the extent (but only to the extent) that all or any portion of such notes either are not payable, or are anticipated by the Issuer not to be paid, from the proceeds of the Second Lien Obligations in anticipation of which such notes are being issued.

Second Lien Obligation Appreciated Value shall mean with respect to any Deferred Income Second Lien Obligations (i) as of any Second Lien Obligation Valuation Date, the amount set forth for such date in the Supplemental Resolution authorizing such Deferred Income Second Lien Obligations, (ii) as of any date prior to the Second Lien Obligation Interest Commencement Date other than a Second Lien Obligation Valuation Date, the sum of (a) the Second Lien Obligation Appreciated Value on the preceding Second Lien Obligation Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Second Lien Obligation Valuation Date and the denominator of which is the number of days from such preceding Second Lien Obligation Valuation Date to the

next succeeding Second Lien Obligation Valuation Date and (2) the difference between the Second Lien Obligation Appreciated Values for such Second Lien Obligation Valuation Dates, and (iii) as of any date on and after the Second Lien Obligation Interest Commencement Date, the Second Lien Obligation Appreciated Value on the Second Lien Obligation Interest Commencement Date. For purposes of this definition, the number of days having elapsed from the preceding Second Lien Obligation Valuation Date and the number of days from the preceding Second Lien Obligation Valuation Date to the next succeeding Second Lien Obligation Valuation Date shall be calculated on the basis of a 360-day year of 12 30-day months, unless otherwise provided pursuant to a Supplemental Resolution.

Second Lien Obligation Business Day shall mean any day of the year other than (i) Saturday or Sunday, (ii) any day on which Banks located in New York, New York or the cities in which the Principal Office of the Trustee and the Second Lien Trustee are located are required or authorized by law to remain closed, or (iii) any day on which the New York Stock Exchange is closed.

Second Lien Obligation Credit Facility shall mean any letter of credit, standby bond purchase agreement, line of credit, policy of bond insurance, surety bond, guarantee or similar instrument, or any agreement relating to the reimbursement of any payment thereunder (or any combination of the foregoing), which is obtained by the Issuer and is issued by a financial institution, insurance provider or other Person and which provides security or liquidity in respect of any Outstanding Second Lien Obligations, Second Lien Parity Debt or Second Lien Obligation Anticipation Notes.

Second Lien Obligation Debt Service for any period shall mean, as of any date of calculation and with respect to any Series of Second Lien Obligations or any Second Lien Parity Debt Outstanding, the sum of: (i) interest on the Second Lien Obligations of such Series and the interest components of Second Lien Parity Debt accruing during such period and (ii) that portion of each Second Lien Obligation Principal Installment for such Second Lien Obligations and Second Lien Parity Debt that would accrue during such period if such Second Lien Obligation Principal Installment were deemed to accrue daily in equal amounts from the preceding Second Lien Obligation Principal Installment payment date on Outstanding Second Lien Obligations and Second Lien Parity Debt; provided, however, that, unless otherwise set forth in a Supplemental Resolution, no Second Lien Obligation Principal Installment shall be deemed to begin accruing until the later of one year prior to such Second Lien Obligation Principal Installment's due date and the date of issuance or incurrence of the related Second Lien Obligations or Second Lien Parity Debt.

Second Lien Obligation Debt Service Payment Date shall mean, with respect to any portion of Second Lien Obligation Debt Service, the date on which the Second Lien Obligation Debt Service shall be payable.

Second Lien Obligation Defeasance Security shall mean

- (i) an Authorized Investment as specified in clause (i) of the definition thereof (other than an obligation of the State), which is not redeemable at the option of the issuer thereof,

(ii) an Authorized Investment as specified in clause (i) (which is an obligation of the State), (ii), (iii), (vi) or (vii) of the definition thereof, which is not redeemable at the option of the issuer thereof and which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency,

(iii) any depositary receipt issued by a Bank as custodian with respect to any Second Lien Obligation Defeasance Security which is specified in clause (i) above and held by such Bank for the account of the holder of such depositary receipt or with respect to any specific payment of principal of or interest on any such Second Lien Obligation Defeasance Security which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Second Lien Obligation Defeasance Security or the specific payment of principal or interest evidenced by such depositary receipt,

(iv) any certificate of deposit specified in clause (iii) of the definition of Authorized Investments in Section A-101, including certificates of deposit issued by the Trustee, Second Lien Trustee, a Paying Agent or a Second Lien Paying Agent, secured by obligations specified in clause (i) above of a market value equal at all times to the amount of the deposit, which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency, or

(v) any other Authorized Investment designated in a Supplemental Resolution as a Second Lien Obligation Defeasance Security for purposes of defeasing the Second Lien Obligations authorized by such Supplemental Resolution, which is not redeemable at the option of the issuer thereof and which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency.

Second Lien Obligation Estimated Average Interest Rate shall mean, as to any Variable Interest Rate Second Lien Obligations or Qualified Second Lien Swap and as of any date of calculation, the average interest rate or rates anticipated to be borne by such Second Lien Obligations or Qualified Second Lien Obligation Swap, or by the combination of such arrangements, over the period or periods for which such rate or rates are anticipated to be in effect, all as estimated by an Authorized Officer.

Second Lien Obligation Interest Commencement Date shall mean, with respect to any particular Deferred Income Second Lien Obligations, the date determined by Supplemental Resolution after which interest accruing on such Second Lien Obligations shall be payable on the first interest payment date succeeding such Second Lien Obligation Interest Commencement Date and periodically thereafter on the dates determined pursuant to such Supplemental Resolution.

Second Lien Obligation Principal Installments shall mean, as of any date of calculation and with respect to any Series of Second Lien Obligations or any Second Lien Parity Debt, as applicable, (a) the principal amount of Outstanding Second Lien Obligations of such Series, due on the dates and in the amounts specified by Supplemental Resolution, reduced by the principal amount of such Second Lien Obligations which would be retired by reason of the payment when due and application in accordance with the Resolution of Second Lien Sinking Fund Installments payable before such dates, plus the unsatisfied balance (determined as provided in Section B-501 of the Resolution) of any Second Lien Sinking Fund Installments due on any certain future date for Second Lien Obligations of such Series, together with such redemption premiums, if any, applicable on any such future date, and (b) with respect to any Second Lien Parity Debt, the amount due thereunder on the dates and in the amounts established in accordance with Section B-202 as a principal component of such Second Lien Parity Debt payable on a parity with the Second Lien Obligations.

Second Lien Obligation Purchase Price shall mean, with respect to any Second Lien Obligations, 100% of the principal amount thereof plus accrued interest, if any, plus in the case of a Second Lien Obligation subject to mandatory tender for purchase on a date when such Second Lien Obligations are also subject to optional redemption at a premium, an amount equal to the premium that would be payable on such Second Lien Obligations if redeemed on such date.

Second Lien Obligation Redemption Price shall mean, with respect to any Second Lien Obligations, 100% of the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof pursuant to the Resolution.

Second Lien Obligation Valuation Date shall mean (i) with respect to any Capital Appreciation Second Lien Obligations the date or dates set forth in the Supplemental Resolution authorizing such Second Lien Obligations on which specific Second Lien Obligation Accreted Values are assigned to the Capital Appreciation Second Lien Obligations and (ii) with respect to any Deferred Income Second Lien Obligations, the date or dates on or prior to the Second Lien Obligation Interest Commencement Date set forth in the Supplemental Resolution authorizing such Second Lien Obligations on which specific Second Lien Obligation Appreciated Values are assigned to the Deferred Income Second Lien Obligations.

Second Lien Obligation Variable Interest Rate shall mean a variable interest rate to be borne by any Second Lien Obligations. The method of computing such variable interest rate shall be specified in the Supplemental Resolution authorizing such Series of Second Lien Obligations.

Second Lien Owner, or any similar terms, shall mean the registered owner of any Second Lien Obligations as shown on the books for the registration and transfer of Second Lien Obligations maintained in accordance with Section B-305.

Second Lien Parity Debt shall mean any Parity Reimbursement Second Lien Obligations, any Parity Swap Second Lien Obligations or any other contract, agreement or other Second Lien Obligations of the Issuer designated as constituting “Second Lien Parity Debt” in a certificate of an Authorized Officer delivered to the Second Lien Trustee; provided, however, that any such Parity Reimbursement Second Lien Obligations, Parity Swap Second Lien

Obligations, or other contract, agreement or other Second Lien Obligations shall not constitute Second Lien Parity Debt solely to the extent of any obligation to pay termination or other fees, expenses, indemnification or other similar payments to the counterparty to such arrangement; provided further that Parity Reimbursement Second Lien Obligations may include accelerated principal amortization provisions to the extent permitted by subsection 4 of Section B-202. Each Second Lien Parity Debt shall be payable and secured in a manner permitted by Article V, and any lien on and pledge of any portion of the Second Lien Obligations Trust Estate securing Second Lien Parity Debt shall be junior and inferior to the lien on and pledge of the Obligations Trust Estate created for the payment of the Obligations and Parity Debt.

Second Lien Paying Agent shall mean any paying agent for the Second Lien Obligations of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Second Lien Put Obligations shall mean Second Lien Obligations which by their terms may be tendered at the option of the Second Lien Owner thereof, or are subject to a mandatory tender other than at the election of the Issuer or a Related Entity, for payment or purchase prior to the stated maturity or redemption date thereof.

Second Lien Registrar shall mean any registrar for the Second Lien Obligations of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Second Lien Sinking Fund Installment shall mean, as of a particular date, any Second Lien Sinking Fund Installment established pursuant to paragraph (m) of subsection 1 of Section B-201.

Securities Depository shall mean a recognized securities depository selected by the Issuer to maintain a book-entry system in respect to all or any portion of a Series of Second Lien Obligations (including, as appropriate, any nominee thereof), and shall include any substitute for or successor to the Securities Depository initially acting as Securities Depository.

Series, when used with reference to Second Lien Obligations or Second Lien Parity Debt, shall mean all of the Second Lien Obligations delivered on original issuance pursuant to a single Supplemental Resolution and denominated therein a single series, and any Second Lien Obligations thereafter delivered in lieu of or in substitution therefor pursuant to Article B-III or Section B-406 or Section C-606, regardless of variations in maturity, interest rate, or other provisions.

Taxable Second Lien Obligations shall mean any Second Lien Obligations which are not Tax-Exempt Second Lien Obligations.

Tax-Exempt Second Lien Obligations shall mean any Second Lien Obligations the interest on which is intended by the Issuer to be generally excluded from gross income for federal income tax purposes and which are designated as Tax-Exempt Second Lien Obligations in the Supplemental Resolution authorizing such Second Lien Obligations.

Variable Interest Rate Second Lien Obligations shall mean Second Lien Obligations which bear a Variable Interest Rate.

Section B-102 Rules of Construction.

1. This Annex B constitutes an integral part of the Resolution and, except to the extent provided in the next two sentences, has the same force and effect as if set forth in the forepart of the Resolution. To the extent expressly provided in the Resolution (not including this Annex B), the Issuer may negate, amend or modify any provision of this Annex B. In the event of any conflict between this Annex B and the forepart of the Resolution, the forepart of the Resolution shall control. In the event of any conflict between this Annex B and Annex A in respect of Second Lien Obligations or Second Lien Parity Debt, this Annex B shall control.

2. Second Lien Obligations shall constitute Subordinated Indebtedness for all purposes of Annex A.

Section B-103 Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Second Lien Obligations and Second Lien Parity Debt authorized to be issued hereunder by those who are Second Lien Owners of the Second Lien Obligations and Second Lien Parity Debt from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Second Lien Owners and the holders of Second Lien Parity Debt from time to time; and the pledge made in the Resolution and the covenants and agreements therein set forth to be performed on behalf of the Issuer shall be for the equal benefit, protection and security of the Second Lien Owners of any and all of the Second Lien Obligations and Second Lien Parity Debt, all of which, regardless of the time or times of their authentication, issuance and delivery, or maturity, shall be of equal rank without preference, priority or distinction of any of the Second Lien Obligations or Second Lien Parity Debt over any other Second Lien Obligations or Second Lien Parity Debt, except as expressly provided in or permitted by the Resolution.

ARTICLE B-II

**GENERAL PROVISIONS FOR ISSUANCE OR INCURRENCE OF
SECOND LIEN OBLIGATIONS, SECOND LIEN PARITY DEBT AND SECOND LIEN
OBLIGATION ANTICIPATION NOTES**

Section B-201 General Provisions for Issuance of Second Lien Obligations.

1. Second Lien Obligations may be issued pursuant to a Supplemental Resolution in such principal amount or amounts for each Series or subseries as may be specified in such Supplemental Resolution. Second Lien Obligations of any Series or subseries shall be authorized by a Supplemental Resolution which shall specify, among other things, the following matters (or the manner of determining such matters):

(a) The authorized principal amount, designation and Series of such Second Lien Obligations;

(b) The purpose or purposes for which such Second Lien Obligations are being issued which shall be one or more of the purposes set forth in Section 201;

(c) The dates and the maturity dates of the Second Lien Obligations of such Series;

(d) If the Second Lien Obligations of such Series are interest bearing Second Lien Obligations, the interest rates of the Second Lien Obligations of such Series and the interest payment dates therefor;

(e) If Second Lien Obligations of such Series are Capital Appreciation Second Lien Obligations, the Second Lien Obligation Valuation Dates for such Second Lien Obligations and the Second Lien Obligation Accreted Value on each such Second Lien Obligation Valuation Date;

(f) If Second Lien Obligations of such Series are Deferred Income Second Lien Obligations, the Second Lien Obligation Interest Commencement Date for such Second Lien Obligations, the Second Lien Obligation Valuation Dates prior to the Second Lien Obligation Interest Commencement Date for such Second Lien Obligations and the Second Lien Obligation Appreciated Value on each such Second Lien Obligation Valuation Date;

(g) If Second Lien Obligations of such Series are Capital Appreciation Second Lien Obligations or Deferred Income Second Lien Obligations, the manner in which and the period during which principal and interest shall be deemed to accrue on such Second Lien Obligations;

(h) If Second Lien Obligations of such Series are Variable Interest Rate Second Lien Obligations, the maximum interest rate, if any, or the method of calculating such maximum rate for such Second Lien Obligations, and the provisions, if any, as to the calculation or change of Second Lien Obligation Variable Interest Rates;

(i) If Second Lien Obligations of such Series are Second Lien Put Obligations, provisions regarding tender for purchase or redemption thereof and payment of the purchase or Second Lien Obligation Redemption Price thereof;

(j) The denominations of, and the manner of dating, numbering and lettering, the Second Lien Obligations of such Series;

(k) The Second Lien Paying Agents, if any, and the places of payment of the principal and Second Lien Obligation Redemption Price, if any, of, and interest on, the Second Lien Obligations of such Series;

(l) The Second Lien Obligation Redemption Prices, if any, and the redemption terms, if any, for the Second Lien Obligations of such Series, provided that Second Lien Obligations of any maturity for which Second Lien Sinking Fund Installments shall be established pursuant to paragraph (m) of this subsection 1 shall in any event be redeemable, or payable at maturity, by application of the Second Lien

Sinking Fund Installments for such Second Lien Obligations on the due dates of such Second Lien Sinking Fund Installments;

(m) The amount and due date of each Second Lien Sinking Fund Installment, if any, for Second Lien Obligations of like maturity of such Series;

(n) Provisions necessary to authorize, in compliance with all applicable law, Second Lien Obligations of such Series to be issued in the form of Second Lien Obligations issued and held in book-entry form on the books of the Issuer or any Fiduciary appointed for that purpose by the Issuer and, in connection therewith, make such additional changes in the Resolution, not adverse to the rights of the Second Lien Owners, as are necessary or appropriate to accomplish or recognize such book-entry form Second Lien Obligations and specify and determine the matters and things relative to the issuance of such book-entry form Second Lien Obligations as are appropriate or necessary;

(o) To the extent applicable, the provisions relating to (a) any Second Lien Obligation Credit Facility, Qualified Second Lien Swap or other financial arrangement entered into in connection with the issuance of the Second Lien Obligations of such Series and (b) the obligations payable thereunder;

(p) The amount, if any, to be deposited in the Second Lien Obligations Proceeds Fund or any Account therein;

(q) If so determined by the Issuer, provisions for the application of any money available therefor to the purchase, exchange or redemption of Second Lien Obligations of such Series and for the order of purchase, exchange or redemption of such Second Lien Obligations;

(r) If so determined by the Issuer, provisions for the sale of the Second Lien Obligations of such Series;

(s) The forms of the Second Lien Obligations of such Series and of the Second Lien Trustee's certificate of authentication if other than as provided in Section 301; and

(t) Such other matters, not contrary to or inconsistent with the Resolution, as the Issuer may deem advisable or necessary in connection with the authorization, issuance, sale, or delivery of such Series of Second Lien Obligations.

An Authorized Officer to whom a Supplemental Resolution has delegated the power to determine any of the foregoing shall execute a Certificate of Determination evidencing such determinations or other actions taken pursuant to the delegation under such Supplemental Resolution, and such Certificate of Determination shall be conclusive evidence of the terminations or actions of such Authorized Officer as to the matters stated therein. The matters set forth in any such Certificate of Determination shall have the same effect as if set forth in the related Supplemental Resolution.

2. The Second Lien Obligations may be sold in one or more Series or subseries (each of which shall contain a designation distinguishing it from other Series or subseries) and shall be delivered by the Issuer under the Resolution but only upon receipt by the Second Lien Trustee of

(a) An Opinion of Bond Counsel in customary form to the effect that (i) the Issuer has the right and power under the Issuer Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Issuer, is in full force and effect, and is valid and binding upon the Issuer, and enforceable in accordance with its terms, and no other authorization for the Resolution is required as of the date thereof; (ii) the Resolution creates the valid pledge which it purports to create of the Second Lien Obligations Trust Estate in the manner and to the extent provided in Section 501; (iii) the Second Lien Obligations are valid and binding obligations of the Issuer, enforceable in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Issuer Act and the Resolution, each as amended to the date of such Opinion of Bond Counsel; and (iv) such Second Lien Obligations have been duly and validly authorized and issued in accordance with law and the Resolution;

(b) A copy of the Supplemental Resolution authorizing such Second Lien Obligations, certified by an Authorized Officer;

(c) A written order of the Issuer as to the delivery of the Second Lien Obligations, signed by an Authorized Officer;

(d) A certificate of an Authorized Officer to the effect that, upon the delivery of the Second Lien Obligations of such Series (i) no event which constitutes a default under the Resolution or any of the Second Lien Obligations shall have occurred and be continuing or, if such an event is continuing, upon issuance of the Second Lien Obligations such default shall be cured, and (ii) no such event would result from the authentication and delivery of the Second Lien Obligations of such Series;

(e) If any Second Lien Obligations are Variable Interest Rate Second Lien Obligations or a Qualified Second Lien Swap is being entered into that will result in a variable interest rate obligation of the Issuer, a determination by an Authorized Officer of the Second Lien Obligation Estimated Average Interest Rate;

(f) If any Second Lien Obligations of such Series are Second Lien Put Obligations, a determination by an Authorized Officer of the method or methods to be employed to provide for the purchase or redemption of all Second Lien Put Obligations of such Series if the Second Lien Owners thereof elected to tender for purchase or redemption the entire aggregate Outstanding principal amount of the Second Lien Put Obligations of such Series; and

(g) Such further documents and money as are required by the provisions of Article II, this Article B-II or Article C-V.

3. If Second Lien Obligations are to be listed on a domestic or foreign stock exchange, the Authorized Officers are hereby authorized to take all such actions as they deem

necessary or appropriate to comply with the listing requirements of such exchange, including the appointment of a member of such exchange as listing agent, the publication where required by such exchange of all redemption notices, the appointment of a special clearing agent and paying agent, and the execution of an undertaking letter with such exchange.

4. The Second Lien Obligations shall not be a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall Second Lien Obligations be payable out of any funds other than those of the Issuer as provided in the Resolution.

Section B-202 Second Lien Obligation Credit Facilities; Qualified Second Lien Swaps and Other Similar Arrangements; Second Lien Parity Debt.

1. The Issuer may include such provisions in a Supplemental Resolution authorizing the issuance of a Series of Second Lien Obligations secured by a Second Lien Obligation Credit Facility as the Issuer deems appropriate, and no such provisions shall be deemed to constitute an amendment to the Resolution requiring action under Article C-V or Article C-VI, including:

(a) So long as the Second Lien Obligation Credit Facility is in full force and effect and payment on the Second Lien Obligation Credit Facility is not in default, then (i) the issuer of the Second Lien Obligation Credit Facility shall be deemed to be the sole owner of the Outstanding Second Lien Obligations the payment of which such Second Lien Obligation Credit Facility secures or (ii) in the alternative or with respect to particular matters, the approval, consent or action of the issuer of the Second Lien Obligation Credit Facility shall be required in addition to the approval, consent or action of the applicable percentage of the Second Lien Owners of the Outstanding Second Lien Obligations, in either case when the approval, consent or action of the Second Lien Owners for such Second Lien Obligations is required or may be exercised under the Resolution including Section B-803 hereof and following a Second Lien Obligations Event of Default hereunder; provided, however, that no issuer of a Second Lien Obligation Credit Facility shall be deemed to be the sole owner of Outstanding Second Lien Obligations pursuant to this provision in the event that the Second Lien Obligation Credit Facility or Second Lien Obligation Credit Facilities securing such Second Lien Obligations provide only liquidity support.

(b) In the event that the principal, Second Lien Sinking Fund Installments, if any, and Second Lien Obligation Redemption Price, if applicable, and interest due on any Outstanding Second Lien Obligations (or Second Lien Obligation Purchase Price of any Outstanding Second Lien Obligations to the extent the issuer of the Second Lien Obligation Credit Facility has not been reimbursed) shall be paid under the provisions of the Second Lien Obligation Credit Facility, all covenants, agreements and other Second Lien Obligations of the Issuer to the Second Lien Owners of such Second Lien Obligations shall continue to exist and such issuer of the Second Lien Obligation Credit Facility shall be subrogated to the rights of such Second Lien Owners in accordance with the terms of such Second Lien Obligation Credit Facility.

2. In addition, such Supplemental Resolution may establish such provisions as are necessary (i) to comply with the provisions of each such Second Lien Obligation Credit Facility,

(ii) to provide relevant information to the issuer of the Second Lien Obligation Credit Facility, (iii) to provide a mechanism for paying Second Lien Obligation Principal Installments and interest on Second Lien Obligations secured by the Second Lien Obligation Credit Facility, and (iv) to make provision for any events of default or for additional or improved security required by the issuer of a Second Lien Obligation Credit Facility.

3. The Issuer may enter into such agreements with the issuer of such Second Lien Obligation Credit Facility providing for, *inter alia*: (i) the payment of fees and expenses to such issuer for the issuance of such Second Lien Obligation Credit Facility, (ii) the terms and conditions of such Second Lien Obligation Credit Facility and the Second Lien Obligations affected thereby, and (iii) the security, if any, to be provided for the issuance of such Second Lien Obligation Credit Facility.

4. The Issuer may secure such Second Lien Obligation Credit Facility by an agreement providing for the purchase of the Second Lien Obligations secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Issuer in the applicable Supplemental Resolution. The Issuer may also in an agreement with the issuer of such Second Lien Obligation Credit Facility agree to directly reimburse such issuer for amounts paid under the terms of such Second Lien Obligation Credit Facility (together with interest thereon, the “Reimbursement Second Lien Obligations”); *provided, however*, that no amounts shall be payable by the Issuer under a Reimbursement Second Lien Obligation for purposes of the Resolution, until amounts are paid under such Second Lien Obligation Credit Facility by the issuer thereof as determined by Supplemental Resolution, any such Reimbursement Second Lien Obligations, which may include interest calculated at a rate higher than the interest rate on the related Second Lien Obligations and accelerated principal amortization, (i) may be secured by a pledge of, and a lien on, the Second Lien Obligations Trust Estate on a parity with the lien created by Section 501 of the Resolution to secure the Second Lien Obligations (a “Parity Reimbursement Second Lien Obligation”), but only to the extent that (prior to any acceleration of all Second Lien Obligations, if permitted) any principal amortization requirements are *either* (A) commensurate with the amortization requirements for such related Second Lien Obligations, without acceleration or (B) accelerated to no greater extent than to require repayment in equal principal installments over 5 or more years, or (ii) may constitute an Other Subordinated Contract Obligation, as determined by the Issuer. Parity Reimbursement Second Lien Obligations shall not include any payments (other than interest calculated at a higher rate pursuant to a Second Lien Obligation Credit Facility) (x) of any fees or expenses, (y) pursuant to any indemnification provisions or (z) pursuant to term-loan or other principal amortization requirements in reimbursement of any such advance that are more accelerated than permitted by clauses (A) and (B) of the preceding sentence, and any such payments of the items specified in clauses (x), (y) or (z) shall constitute Subordinated Contract Obligations.

5. Any such Second Lien Obligation Credit Facility shall be for the benefit of and secure such Second Lien Obligations or portion thereof as specified in any applicable Supplemental Resolution.

6. In connection with the issuance of any Second Lien Obligations or at any time thereafter so long as Second Lien Obligations remain Outstanding, the Issuer may, to the extent

permitted pursuant to law, from time to time enter into Qualified Second Lien Swaps. The Issuer's obligation to pay any amount under any Qualified Second Lien Swap may be secured by a pledge of, and a lien on the Second Lien Obligations Trust Estate on a parity with the lien created by Section 501 of the Resolution to secure the Second Lien Obligations (a "Parity Swap Second Lien Obligation"), or may constitute a Second Lien Parity Debt, as determined by the Issuer. Parity Swap Second Lien Obligations shall not include any payments of (x) of any fees or expenses, (y) pursuant to any indemnification provisions or (z) any termination payments or other obligations to a counterparty to a Qualified Second Lien Swap, which payments shall be Subordinated Contract Obligations.

7. Second Lien Parity Debt shall not be a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall Second Lien Parity Debt be payable out of any funds other than those of the Issuer pledged therefor pursuant to the Resolution.

8. Except to the extent that an Authorized Officer directs that such amounts be deposited in any other Fund or Account pledged to the payment of Second Lien Obligations, any amounts paid to the Issuer under a Qualified Second Lien Swap shall be deposited in the Second Lien Obligations Debt Service Fund.

9. To the extent applicable and not readily apparent with respect any Second Lien Parity Debt, either the terms of such Second Lien Parity Debt shall specify (or an Authorized Officer shall specify in writing) the interest and principal components of or the scheduled payments corresponding to principal and interest under such Second Lien Parity Debt or the manner of determining the foregoing.

Section B-203 Second Lien Obligation Anticipation Notes. Whenever the Issuer shall have, by Supplemental Resolution, authorized the issuance of a Series of Second Lien Obligations, the Issuer may by resolution authorize the issuance of Second Lien Obligation Anticipation Notes in anticipation of the issuance of such authorized Series of Second Lien Obligations, in a principal amount not exceeding the principal amount of the Second Lien Obligations of such Series so authorized. The principal of and premium, if any, and interest on such Second Lien Obligation Anticipation Notes and any renewals of such Second Lien Obligation Anticipation Notes shall be payable only from any or all of the following items designated by the Issuer at or prior to issuance of any such series of Second Lien Obligation Anticipation Notes: (i) the proceeds of any renewals of such Second Lien Obligation Anticipation Notes issued to repay such Second Lien Obligation Anticipation Notes, (ii) the proceeds of the sale of the Series of Second Lien Obligations, Refunding Obligations or Refunding Second Lien Obligations or other obligations in anticipation of which such Second Lien Obligation Anticipation Notes are issued or expected to be refinanced or restructured, (iii) amounts available to pay Other Subordinated Obligations, or (iv) any other money available therefor and not pledged under the Resolution. Such proceeds and other amounts set forth in clauses (i), (ii), (iii) and (iv) may be pledged for the payment of the principal of and premium, if any, and interest on such Second Lien Obligation Anticipation Notes, and any such pledge of the items set forth in clauses (i) and (ii) shall have priority over any other pledge created by the Resolution, including Section 501. In any case, such Second Lien Obligation Anticipation Notes shall be retired or provision shall be made for their retirement not later than the date of authentication and delivery of the Series of Second Lien Obligations in anticipation of which

they are issued. The proceeds of the sale of Second Lien Obligation Anticipation Notes other than renewals thereof shall be applied to the purposes for which the Second Lien Obligations, Refunding Obligations or Refunding Second Lien Obligations or other obligations in anticipation of which such Second Lien Obligation Anticipation Notes are authorized and shall be deposited in the appropriate Fund or Account established by the Resolution for such purposes or, if so provided in the resolution authorizing renewals of Second Lien Obligation Anticipation Notes issued to pay outstanding Second Lien Obligation Anticipation Notes, applied directly to such payment. Investment earnings from any amounts on deposit in any Fund or Account under the Resolution representing the proceeds of any Second Lien Obligation Anticipation Notes shall be applied in the manner set forth in the resolution authorizing such Second Lien Obligation Anticipation Notes.

ARTICLE B-III

GENERAL TERMS AND PROVISIONS OF SECOND LIEN OBLIGATIONS

Except as otherwise provided by Supplemental Resolution, the Second Lien Obligations and Second Lien Parity Debt shall be subject to the terms and provisions of the Standard Resolutions Provisions and these Supplemental Standard Resolution Provisions.

Section B-301 Medium of Payment; Form and Date.

1. The Second Lien Obligations and Second Lien Parity Debt shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts (or to the extent permitted by law, in any other coin or currency authorized pursuant to a Supplemental Resolution for Second Lien Obligations and related Second Lien Parity Debt).

2. Second Lien Obligations shall be issued in the form of fully registered Second Lien Obligations without coupons. Second Lien Obligations, the certificate of authentication, if any, and the form of assignment shall be in substantially the form provided for in Exhibit Two of the Resolution with such appropriate variations, omissions, substitutions and insertions as are permitted or required hereby or thereby or are required by law, and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may be required to comply with any applicable laws or rules or regulations, or as may, consistent herewith, be determined by the officers executing such Second Lien Obligations, as evidenced by their execution of the Second Lien Obligations. Any portion of the text of any Second Lien Obligations may be set forth on the reverse thereof, with an appropriate reference thereto on the face of such security evidencing Second Lien Obligations, or as multiple pages (with or without such a reference). Second Lien Obligations may be typewritten, printed, engraved, lithographed or otherwise produced.

3. Second Lien Obligations shall be dated, and shall bear or not bear interest, as provided in the Supplemental Resolution authorizing such Second Lien Obligations.

Section B-302 Legends. Second Lien Obligations may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions

of the Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Issuer.

Section B-303 Execution and Authentication.

1. The Second Lien Obligations shall be executed in the name of the Issuer by the manual or facsimile signature of an Authorized Officer or in such other manner as may be required by law or specified in a Supplemental Resolution. In case any of the officers who shall have signed any of the Second Lien Obligations shall cease to be such officer before the Second Lien Obligations so signed shall have been actually delivered, such Second Lien Obligations may, nevertheless, be delivered as herein provided, and may be issued as if the Persons who signed such Second Lien Obligations had not ceased to hold such offices. Any Second Lien Obligations may be signed on behalf of the Issuer by such Persons as at the actual time of the execution of such Second Lien Obligations shall be duly authorized or hold the proper office in the Issuer, although at the date of the Second Lien Obligations such Persons may not have been so authorized or have held such office.

2. Second Lien Obligations of each Series shall bear thereon a certificate of authentication, executed manually by the Second Lien Trustee. Only such Second Lien Obligations as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Second Lien Obligations shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Second Lien Trustee. Such certificate of the Second Lien Trustee upon any Second Lien Obligations executed on behalf of the Issuer shall be conclusive evidence that the Second Lien Obligations so authenticated has been duly authenticated and delivered under the Resolution and that the Second Lien Owner thereof is entitled to the benefits of the Resolution.

Section B-304 Interchangeability of Second Lien Obligations. Second Lien Obligations, upon surrender thereof at the office of the Second Lien Registrar with a written instrument of transfer satisfactory to the Second Lien Registrar, duly executed by the Second Lien Owner or his duly authorized attorney, may, at the option of such Second Lien Owner, be exchanged for an equal aggregate principal amount of Second Lien Obligations of the same Series, maturity and interest rate of any other authorized denomination.

Section B-305 Negotiability, Transfer and Registry. All the Second Lien Obligations issued under the Resolution shall be negotiable, subject to the provisions for registration and registration of transfer contained in the Resolution and in the Second Lien Obligations. So long as any of the Second Lien Obligations shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Second Lien Registrar, books for the registration and registration of transfer of Second Lien Obligations; and, upon presentation thereof for such purpose at said office and under such reasonable regulations as it or the Second Lien Registrar may prescribe, the Issuer shall register or cause to be registered therein, and permit to be transferred thereon, the registration of any Second Lien Obligations entitled to registration or registration of transfer. So long as any of the Second Lien Obligations remain Outstanding, the Issuer shall make all necessary provision to permit the exchange of Second Lien Obligations at the office of the Second Lien Registrar.

Section B-306 Transfer of Second Lien Obligations.

1. The transfer of each Second Lien Obligations shall be registerable only upon the books of the Issuer, which shall be kept by the Second Lien Registrar, by the Second Lien Owner thereof in person or by his attorney authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Second Lien Registrar executed by the Second Lien Owner or his authorized attorney. Upon the registration of transfer of any such Second Lien Obligations, the Issuer shall issue in the name of the transferee a new Second Lien Obligation of the same aggregate principal amount, Series, maturity and interest rate as the surrendered Second Lien Obligation.

2. The Issuer and each Fiduciary may deem and treat the Person in whose name any Outstanding Second Lien Obligations shall be registered upon the books of the Issuer as the absolute owner of such Second Lien Obligations, whether such Second Lien Obligations shall be overdue or not, for the purpose of receiving payment of or on account of the principal and Second Lien Obligation Redemption Price, if any, of and interest on such Second Lien Obligations and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Second Lien Obligations to the extent of the sum or sums so paid, and neither the Issuer nor any Fiduciary shall be affected by any notice to the contrary. The Issuer agrees to indemnify and save each Fiduciary harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, unless acting in bad faith or with negligence under the Resolution, in so treating such registered owner.

Section B-307 Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Second Lien Obligations or registering the transfer of Second Lien Obligations is exercised, the Issuer shall execute and the Second Lien Registrar shall deliver Second Lien Obligations in accordance with the provisions of the Resolution. All Second Lien Obligations surrendered in any such exchanges or registrations of transfer shall forthwith be canceled by the Second Lien Registrar. For every such exchange or registration of transfer of Second Lien Obligations, whether temporary or definitive, the Issuer or the Second Lien Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

Section B-308 Second Lien Obligations Mutilated, Destroyed, Stolen or Lost. In case any Second Lien Obligations shall become mutilated or be destroyed, stolen or lost, the Issuer shall execute, and thereupon the Second Lien Trustee and Second Lien Registrar shall deliver, a new Second Lien Obligations of like tenor, Series, maturity, interest rate and principal amount as the Second Lien Obligations so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Second Lien Obligations, upon surrender and cancellation of such mutilated Second Lien Obligations, or in lieu of and substitution for the Second Lien Obligations destroyed, stolen or lost, upon filing with the Second Lien Trustee and Second Lien Registrar evidence satisfactory to the Issuer and the Second Lien Trustee and Second Lien Registrar that such Second Lien Obligations has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Issuer and the Second Lien Trustee and Second Lien Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the Issuer and the Second Lien Trustee and Second Lien Registrar may prescribe and paying such

expenses as the Issuer and Second Lien Trustee and Second Lien Registrar may incur. All Second Lien Obligations so surrendered to the Second Lien Registrar shall be canceled by it. If any such Second Lien Obligations shall have matured, or if such Second Lien Obligations shall have been called for redemption or a redemption date pertaining thereto shall have passed, instead of issuing a new Second Lien Obligation the Issuer may cause the same to be paid without surrender thereof upon indemnity satisfactory to the Issuer and the Second Lien Trustee. Any such new Second Lien Obligations issued pursuant to this Section in substitution for Second Lien Obligations alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Issuer, whether or not the Second Lien Obligations so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Second Lien Obligations issued under the Resolution, in any money or securities held by the Issuer or the Fiduciary for the benefit of the Second Lien Owners.

Section B-309 Book-Entry-Only System. The Issuer may employ a book-entry-only system of registration with respect to any Second Lien Obligations and may utilize the procedures regarding such registration set forth in this Section B-309, as such procedures may be modified or superseded pursuant to the Supplemental Resolution authorizing such Second Lien Obligations. Any provisions of the Resolution inconsistent with book-entry-only Second Lien Obligations shall not be applicable to such book-entry-only Second Lien Obligations.

Any Authorized Officer is hereby authorized to take all actions required for each Series of Second Lien Obligations to be eligible under the rules and regulations of The Depository Trust Company (“DTC”), 55 Water Street, New York, New York, for investment and trading as uncertificated securities. DTC is hereby appointed as the initial Securities Depository for the obligations, with Cede & Co., a nominee thereof, being the initial registered owner of the Second Lien Obligations. In the event that any Securities Depository resigns or is removed, any Authorized Officer may select a substitute Securities Depository. The Issuer and any Fiduciary, and any agent of the Issuer or any Fiduciary, may treat any Securities Depository in whose name any Second Lien Obligation is registered as the owner of such Second Lien Obligations for all purposes under the Resolution. For so long as the Securities Depository is the registered owner of the Second Lien Obligations, procedures with respect to the transmission of notices and the transfer of ownership of, redemption of and payment of principal or Second Lien Obligation Redemption Price, if any, of and interest on such Second Lien Obligations so held shall be in accordance with arrangements among the Second Lien Trustee, the Issuer and the Securities Depository.

So long as the Second Lien Obligations are registered in the name of the Securities Depository, the Issuer and the Second Lien Trustee shall have no responsibility or obligation to any Securities Depository participant, indirect participant or beneficial owner of the Second Lien Obligations. Without limiting the immediately preceding sentence, the Issuer and the Second Lien Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of any Securities Depository or any Securities Depository participant or indirect participant with respect to any beneficial ownership interest in the Second Lien Obligations, (ii) the delivery to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any notice with respect to the Second Lien Obligations, including any notice of redemption or tender, or (iii) the payment to any

Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any amount with respect to the principal of or Second Lien Obligation Redemption Price or interest on the Second Lien Obligations.

The Issuer, in its sole discretion and without the consent of any other person, may terminate the services of any Securities Depository with respect to any Series of Second Lien Obligations. Notice of such termination shall be given by the Issuer to the Second Lien Trustee prior to or simultaneously with such termination. In the event the book-entry only system is discontinued with respect to the Second Lien Obligations, principal and Redemption Price of and interest on the Second Lien Obligations shall be paid as provided in the Resolution.

Consistent with DTC book-entry provisions, one or more typewritten certificates shall be prepared for each maturity of the Second Lien Obligations of a Series and registered in the name of the Securities Depository. There shall be no physical distribution of bond or other certificates to beneficial owners of such Second Lien Obligations. In the event that the Second Lien Obligations do not qualify to be held by the Securities Depository or that either the Issuer determines to discontinue the book-entry only system or DTC determines to discontinue providing its service with respect to the Second Lien Obligations and there is no successor Securities Depository, the bond or other certificates shall be delivered in the form required by the Resolution.

Unless otherwise directed by an Authorized Officer, “CUSIP” or other recognized identification numbers (“CUSIP numbers”) will be imprinted on the Second Lien Obligations, but such numbers shall not constitute a part of the contract evidenced by the Second Lien Obligations and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Second Lien Obligations. As a convenience to the Second Lien Owners, the Issuer and the Second Lien Trustee may use such CUSIP numbers in any notices to the Second Lien Owners, including any notices of redemption of the Second Lien Obligations. Failure on the part of the Issuer or the Second Lien Trustee to use such CUSIP numbers in any notice to Second Lien Owners shall not constitute a Second Lien Obligations Event of Default or any similar violation of the Issuer’s contract with such Second Lien Owners. The Issuer will promptly notify the Second Lien Trustee of any change in the CUSIP numbers.

ARTICLE B-IV

REDEMPTION AND TENDER OF SECOND LIEN OBLIGATIONS

Section B-401 Privilege of Redemption and Second Lien Obligation Redemption Price. Except as otherwise provided in the Resolution or a Supplemental Resolution, Second Lien Obligations subject to redemption pursuant to a Supplemental Resolution shall be subject to redemption only in accordance with this Article B-IV.

Second Lien Obligations subject to redemption prior to maturity pursuant to a Supplemental Resolution shall be redeemable, upon written notice as provided in this Article B-IV, at such times, at such Second Lien Obligation Redemption Prices and upon such

terms as may be specified in the Supplemental Resolution authorizing such Second Lien Obligations.

Section B-402 Redemption at the Election of the Issuer; Tender to Related Entities. In the case of any redemption of Second Lien Obligations at the election of the Issuer, the Issuer shall give written notice to the Second Lien Trustee of its election so to redeem, of the redemption date, of the Series, of the principal amounts of the Second Lien Obligations of each maturity and interest rate of such Series to be redeemed (which Series, maturities, interest rates and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion, subject to any limitations with respect thereto contained in any Supplemental Resolution). Such notice shall be given at least 45 days prior to the redemption date or such shorter period as may be provided in the Supplemental Resolution or as shall be acceptable to the Second Lien Trustee. In the event notice of redemption shall have been given as in Section B-405 provided but subject to the second paragraph of Section B-405, the Issuer shall on or prior to the redemption date cause to be paid out to the appropriate Second Lien Paying Agent or Second Lien Paying Agents out of money available therefor an amount in cash which, in addition to other money, if any, available therefor held by such Second Lien Paying Agent or Second Lien Paying Agents, will be sufficient to redeem on the redemption date at the Second Lien Obligation Redemption Price thereof, all of the Second Lien Obligations to be redeemed.

The Issuer may, in its sole discretion, purchase or grant to any Related Entity the option to purchase, at any time and from time to time, any Second Lien Obligations which are redeemable at the election of the Issuer at a purchase price equal to the redemption price therefor. To exercise any such option, the Issuer or the Related Entity shall give the Second Lien Trustee a written request exercising such option within the time periods specified in the related Supplemental Resolution as though such written request were a written request of the related Issuer for redemption, and the Second Lien Trustee shall thereupon give the Second Lien Owners of the Second Lien Obligations to be purchased notice of such purchase in the manner specified in the related Supplemental Resolution as though such purchase were a redemption. On the date fixed for purchase pursuant to any exercise of such an option, the Issuer or the Related Entity shall pay the purchase price of the Second Lien Obligations then being purchased to the Second Lien Trustee in immediately available funds, and the Second Lien Trustee shall pay the same to the sellers of such Second Lien Obligations against delivery thereof. Following such purchase, the Second Lien Trustee shall cause such Second Lien Obligations to be registered in the name of the Issuer or the Related Entity or its nominee and shall deliver them to the Issuer, the Related Entity or its nominee. Except to the extent otherwise directed by an Authorized Officer, no purchase of Second Lien Obligations pursuant to such an option shall operate to extinguish the indebtedness of the Issuer evidenced thereby. Any such option to purchase by a Related Entity either shall be conditioned on the provision of sufficient money therefor by the Related Entity or shall be an obligation of the Issuer in the event that the Related Entity does not provide sufficient money therefor.

Section B-403 Redemption Otherwise Than at the Issuer's Election. Whenever by the terms of the Resolution Second Lien Obligations are required to be redeemed otherwise than at the election of the Issuer, the Second Lien Trustee shall select the Second Lien Obligations to be redeemed, give the notice of redemption and pay out of money available therefor the Second Lien Obligation Redemption Price to the appropriate Second Lien Paying Agents in accordance

with the terms of this Article B-IV. The Second Lien Trustee shall have no liability in making such selection.

Section B-404 Selection of Second Lien Obligations to Be Redeemed. In the event of redemption of less than all the Outstanding Second Lien Obligations of like tenor, Series, maturity and interest rate, the Second Lien Trustee shall select, as directed by the Issuer (as to the timing of such selection, manner of such selection or otherwise) or otherwise in such manner as the Second Lien Trustee in its discretion shall deem appropriate and fair, the numbers of the Second Lien Obligations to be redeemed and portions of any thereof to be redeemed in part. Second Lien Obligations of denominations equal or less than the minimum authorized denomination thereof may be redeemed only as a whole. Second Lien Obligations of denominations of more than the minimum authorized denomination thereof may be redeemed either as a whole or in part (which, if redeemed in part, must assure that the portion of the Second Lien Obligations which is not redeemed is an authorized denomination). For the purposes of this Section B-404, Second Lien Obligations, or portions thereof, theretofore selected for redemption shall not be deemed Outstanding.

Section B-405 Notice of Redemption. When the Second Lien Trustee shall receive notice from the Issuer of its election to redeem Second Lien Obligations pursuant to Section B-402, and when redemption of Second Lien Obligations is required by the Resolution pursuant to Section B-403, the Second Lien Trustee shall give notice, in the name of the Issuer, of the redemption of such Second Lien Obligations, which notice shall specify the Series (including CUSIP numbers), maturities and, if any maturity shall include Second Lien Obligations bearing different interest rates and all Second Lien Obligations of such maturity are not being redeemed, the interest rate of the Second Lien Obligations to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Second Lien Obligations of any like tenor, Series, maturity and interest rate are to be redeemed, the letters and numbers or other distinguishing marks of such Second Lien Obligations so to be redeemed, and, in the case of Second Lien Obligations to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed, and, if applicable, that such notice is conditional and the conditions that must be satisfied. Such notice shall further state that on such date there shall become due and payable upon the Second Lien Obligations to be redeemed the Second Lien Obligation Redemption Price thereof, or the Second Lien Obligation Redemption Price of the specified portions of the principal thereof in the case of Second Lien Obligations to be redeemed in part only, together with interest accrued to the redemption date; and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be given not less than 30 days nor more than 45 days, or for such other period as may be specified in a Supplemental Resolution authorizing a particular Series, before the redemption date, to the Second Lien Owners of any Second Lien Obligations or portions of Second Lien Obligations which are to be redeemed. Failure so to give any such notice to any particular Owner shall not affect the validity of the proceedings for the redemption of Second Lien Obligations not owned by such Second Lien Owner and failure of any Second Lien Owner to receive such notice shall not affect the validity of the proposed redemption of Second Lien Obligations. The Issuer may provide notices of redemption at such additional times as it may determine necessary or appropriate.

Any notice of optional redemption given pursuant to this Section may state that it is conditional upon receipt by the Second Lien Trustee of money sufficient to pay the Second Lien Obligation Redemption Price of such Second Lien Obligations or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such Second Lien Obligation Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Second Lien Trustee to affected Second Lien Owners as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Unless otherwise provided by Supplemental Resolution, notices of redemption shall be sent by first class mail, postage prepaid.

Notice of redemption of any Series of Second Lien Obligations shall also be sent by the Second Lien Trustee to such additional Persons as may be specified in the Supplemental Resolution authorizing such Series.

Section B-406 Payment of Redeemed Second Lien Obligations. Notice having been given in the manner provided in Section B-405, the Second Lien Obligations or portions thereof so called for redemption shall, subject to the second paragraph of Section B-405, become due and payable on the redemption date so designated at the Second Lien Obligation Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Second Lien Obligations, or portions thereof, shall be paid at the Second Lien Obligation Redemption Price plus interest accrued and unpaid to the redemption date. If there shall be called for redemption less than all of a Second Lien Obligation, the Issuer shall execute and cause to be delivered, upon the surrender of such Second Lien Obligation, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Second Lien Obligation so surrendered, at the option of the owner thereof, Second Lien Obligations of like tenor, Series, maturity and interest rate in any of the authorized denominations. If, on the redemption date, money for the redemption of all the Second Lien Obligations or portions thereof of any like tenor, Series, maturity and interest rate to be redeemed, together with interest to the redemption date, shall be held by the Second Lien Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Second Lien Obligations or portions thereof of such Series, maturity and interest rate so called for redemption shall cease to accrue. If said money shall not be so available on the redemption date, such Second Lien Obligations or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE B-V

SECOND LIEN SINKING FUND INSTALLMENTS; CANCELLATION AND DISPOSITION OF SECOND LIEN OBLIGATIONS

Section B-501 Satisfaction of Second Lien Sinking Fund Installments.

1. Any amount accumulated in the Second Lien Debt Service Fund in respect of and up to the unsatisfied balance of each Second Lien Sinking Fund Installment shall be applied by the Second Lien Trustee to either (a) or (b) below as directed by the Issuer (together with amounts accumulated in the Second Lien Debt Service Fund with respect to interest on the Series of Second Lien Obligations for which such Second Lien Sinking Fund Installment was established) if so directed by an Authorized Officer prior to the 45th day preceding the due date of such Second Lien Sinking Fund Installment as follows:

(a) to the purchase of Second Lien Obligations for which such Second Lien Sinking Fund Installment was established, at prices (including any brokerage and other charges) not exceeding the principal amount of such Second Lien Obligations plus unpaid interest accrued to the date of purchase, such purchases to be made in such manner as the Issuer shall direct; or

(b) to the redemption of Second Lien Obligations for which such Second Lien Sinking Fund Installment was established, if then redeemable by their terms at the prices referred to in clause (a) of this subsection 1 of this Section B-501.

All Second Lien Obligations so purchased or redeemed shall be canceled by the Second Lien Trustee prior to the 45th day preceding the due date of such Second Lien Sinking Fund Installment.

2. Upon the purchase or redemption of any Second Lien Obligations pursuant to subsection 1 of this Section, an amount equal to the principal amount of the Second Lien Obligations so purchased or redeemed shall be credited toward the next Second Lien Sinking Fund Installment thereafter to become due with respect to the Second Lien Obligations of such maturity and the amount of any excess of the amounts so credited over the amount of such Second Lien Sinking Fund Installment shall be credited by the Second Lien Trustee against future Second Lien Sinking Fund Installments for such Series as specified by an Authorized Officer. Prior to the purchase or redemption of such Second Lien Obligations, the Issuer shall deliver to the Second Lien Paying Agent and to the Second Lien Trustee a certificate of an Authorized Officer specifying (i) the principal amount, Series, maturity, interest rate and numbers of the Second Lien Obligations so to be purchased or redeemed, (ii) the date and Series of the Second Lien Sinking Fund Installment in satisfaction of which such Second Lien Obligations are so to be purchased or redeemed, (iii) the aggregate principal amount of the Second Lien Obligations so to be purchased or redeemed, and (iv) the unsatisfied balance of each such Second Lien Sinking Fund Installment after giving effect to the delivery of such Second Lien Obligations.

3. In satisfaction, in whole or in part, of any Second Lien Sinking Fund Installment, the Issuer may deliver to the Second Lien Trustee at least 45 days prior to the date of such Second Lien Sinking Fund Installment, for cancellation, Second Lien Obligations acquired by purchase or redemption, except Second Lien Obligations acquired by purchase or redemption pursuant to the provisions of subsection 1 of this Section, of the maturity and interest rate entitled to such Second Lien Sinking Fund Installment. All Second Lien Obligations so delivered to the Second Lien Trustee in satisfaction of a Second Lien Sinking Fund Installment shall reduce the amount thereof by the amount of the aggregate principal amount of such Second

Lien Obligations. Concurrently with such delivery of such Second Lien Obligations the Issuer shall deliver to the Second Lien Paying Agent and to the Second Lien Trustee a certificate of an Authorized Officer, specifying (i) the principal amount, Series, maturity, interest rate and numbers of the Second Lien Obligations so delivered, (ii) the date and Series of the Second Lien Sinking Fund Installment in satisfaction of which such Second Lien Obligations are so delivered, (iii) the aggregate principal amount of the Second Lien Obligations so delivered, and (iv) the unsatisfied balance of each such Second Lien Sinking Fund Installment after giving effect to the delivery of such Second Lien Obligations.

4. The Second Lien Trustee shall, upon receipt of the notice and in the manner required by the Resolution, call for redemption, on the date of each Second Lien Sinking Fund Installment falling due prior to maturity, such principal amount of Second Lien Obligations of the Series, interest rate and maturity entitled to such Second Lien Sinking Fund Installment as is required to exhaust the unsatisfied balance of such Second Lien Sinking Fund Installment.

Section B-502 Cancellation and Disposition of Second Lien Obligations. All Second Lien Obligations that have been paid (whether at maturity or by acceleration, call for redemption, purchase by the Issuer and presentation for cancellation, or otherwise) or delivered to the Second Lien Trustee for cancellation shall be canceled and not reissued, except as otherwise provided in a Supplemental Resolution with respect to Second Lien Put Obligations. Unless otherwise directed by the Issuer, the Second Lien Trustee shall treat canceled Second Lien Obligations in accordance with its document retention policies. Notwithstanding any other provision of the Resolution, the Issuer may in its sole discretion purchase any Second Lien Obligations of the Issuer or any Related Entity for investment purposes and any such Second Lien Obligations shall remain outstanding unless and until presented for cancellation.

ARTICLE B-VI

PARTICULAR COVENANTS OF THE ISSUER

The Issuer covenants and agrees with the Second Lien Trustee and the Second Lien Owners as follows:

Section B-601 Payment of Second Lien Obligations and Second Lien Parity Debt. The Issuer shall duly and punctually pay or cause to be paid from the Second Lien Obligations Trust Estate as provided in the Resolution the principal or Second Lien Obligation Redemption Price, if any, of every Second Lien Obligations and the interest thereon and all Second Lien Parity Debt, at the dates and places, and in the manner provided in the Second Lien Obligations and Second Lien Parity Debt, according to the true intent and meaning thereof.

Section B-602 Extension of Payment of Second Lien Obligations. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Second Lien Obligations or the time of payments of any claims for interest by the purchase or funding of such Second Lien Obligations or claims for interest or by any other arrangement, and in case the maturity of any of the Second Lien Obligations or the time for payment of such claims for interest shall be extended, such Second Lien Obligations or claims for interest shall not be entitled, in case of any Second Lien Obligations Event of Default, to the benefit of the

Resolution or to any payment out of the Second Lien Obligations Trust Estate, except subject to the prior payment of the principal of all Second Lien Obligations Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Second Lien Obligations as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Issuer (i) to issue refunding Second Lien Obligations as provided in the Resolution and such issuance shall not be deemed to constitute an extension of maturity of the Second Lien Obligations, (ii) to issue Second Lien Put Obligations and neither such issuance nor the operation of the provisions of such Second Lien Put Obligations shall be deemed to constitute an extension of maturity of the Second Lien Obligations, (iii) to apply any amount in any Fund held under the Resolution for such purpose to the purchase or redemption of Second Lien Obligations or (iv) to issue securities having a maturity date, including any extension of maturity contemplated at the time of issuance, of no more than 270 days from the issue date.

Section B-603 Offices for Servicing Second Lien Obligations. Except as otherwise provided in the Resolution, the Issuer shall at all times maintain one or more offices or agencies in the City and State where Second Lien Obligations may be presented for payment, registration, transfer or exchange, and where notices, demands and other documents may be served upon the Issuer in respect of the Second Lien Obligations or of the Resolution. The Issuer may appoint the Second Lien Trustee or any other Fiduciary as its agent to maintain such office or agency for the payment, redemption, registration, transfer or exchange of Second Lien Obligations and for the service upon the Issuer of such notices, demands and other documents. The Issuer may also maintain one or more offices or agencies outside of the City or State for the same purposes.

Section B-604 Further Assurance. To the extent permitted by law, the Issuer from time to time shall make, do, execute, adopt, acknowledge and deliver, and take all and every such further acts, deeds, conveyances, assignments, resolutions, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and interests in the Second Lien Obligations Trust Estate or assigned, or intended so to be, or which the Issuer may become bound to pledge or assign.

Section B-605 Accounts and Reports.

1. The Issuer shall keep proper books of record and account of its operations. Such books of account are to be audited at least annually by independent certified public accountants experienced in governmental accounting selected by the Issuer. A copy of each audit report, annual balance sheet and income and expense statement shall be filed with the Second Lien Trustee and sent to any Second Lien Owner filing with the Issuer a written request therefor.

2. The Issuer shall annually, within 6 months after the close of each fiscal year or at such other time required under applicable law or a subsequent contract with all or certain Second Lien Owners (or, if not available by such date, when and if available), file with the Second Lien Trustee, and otherwise as provided by law, a copy of an annual report for such year, accompanied by the opinion of the accountants specified in subsection 1 of this Section.

Section B-606 General.

1. The Issuer shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of the Resolution and, to the extent material to the interests of Second Lien Owners, the Issuer Act.

2. Upon the date of authentication and delivery of any of the Second Lien Obligations, all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in connection with the issuance of such Second Lien Obligations (and any related Second Lien Parity Debt then being incurred) shall exist, shall have happened and shall have been performed and the issuance of such Second Lien Obligations (and any related Second Lien Parity Debt then being incurred), together with all other indebtedness of the Issuer, shall be within every debt and other limit prescribed by the laws of the State, as applicable.

ARTICLE B-VII

**CONCERNING THE SECOND LIEN TRUSTEE, SECOND LIEN PAYING AGENTS
AND THE SECOND LIEN REGISTRAR**

Section B-701 Second Lien Trustee; Appointment and Acceptance of Duties. On or prior to the delivery of any Second Lien Obligations, the Issuer shall appoint a Second Lien Trustee. The Second Lien Trustee shall signify its acceptance of the duties and Second Lien Obligations imposed upon it by the Resolution by executing and delivering to the Issuer a written acceptance thereof.

Section B-702 Duties, Liabilities and Rights of the Second Lien Trustee.

1. Prior to the occurrence of a Second Lien Obligations Event of Default of which a Responsible Second Lien Obligation Officer has written notice or actual knowledge, and after the curing or waiver of any Second Lien Obligations Event of Default which may have occurred:

(a) the Second Lien Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Resolution, and no implied covenants or Second Lien Obligations shall be read into the Resolution against the Second Lien Trustee; and

(b) in the absence of bad faith on its part, the Second Lien Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Second Lien Trustee and conforming to the requirements of the Resolution; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Second Lien Trustee, the Second Lien Trustee is under a duty to examine same to determine whether or not they conform to the requirements of the Resolution.

2. In case a Second Lien Obligations Event of Default of which a Responsible Second Lien Obligation Officer has written notice or actual knowledge has occurred and is continuing, the Second Lien Trustee shall exercise such of the rights and powers vested in it by

the Resolution, and use the same degree of care and skill in their exercise, as a prudent Person would exercise or use in the conduct of such Person's own affairs.

3. No provision of the Resolution shall be construed to relieve the Second Lien Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) this subsection 3 shall not be construed to limit the effect of subsection 1 of this Section B-702;

(b) the Second Lien Trustee is not and shall not be liable for any error of judgment made in good faith by a Responsible Second Lien Obligation Officer, unless it is proven that the Second Lien Trustee was negligent in ascertaining the pertinent facts;

(c) the Second Lien Trustee is not and shall not be liable with respect to any action taken or omitted to be taken by it in good faith (i) in accordance with the direction of the Second Lien Owners of the applicable percentage of Second Lien Obligations then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Second Lien Trustee, or (ii) which it believes to be authorized or within its rights or powers under the Resolution;

(d) no provision of the Resolution shall require the Second Lien Trustee to expend or risk its own funds or otherwise incur any personal or financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, for which it has not received a satisfactory indemnity;

(e) the Second Lien Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper Person and shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Second Lien Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit;

(f) the Second Lien Trustee shall not be charged with knowledge of a Second Lien Obligations Event of Default unless a Responsible Second Lien Obligation Officer shall have received written notice from a Second Lien Owner or the Issuer or have actual knowledge; provided that the Second Lien Trustee shall be deemed to have actual knowledge of any failure to pay principal or Second Lien Obligation Redemption Price of or interest on Second Lien Obligations when due;

(g) the Second Lien Trustee shall not be under any obligation to take any action that is discretionary hereunder;

(h) neither the Second Lien Trustee nor any of its directors, officers, employees or agents shall be personally liable for any action taken, suffered or omitted by the Second Lien Trustee in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon the Second Lien Trustee by the Resolution;

(i) the Second Lien Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians, or nominees and the Second Lien Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney, custodians or nominees appointed with due care by it hereunder; and

(j) the Second Lien Trustee may request that the Issuer deliver a certificate of an Authorized Officer setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant hereto, which certificate may be signed by any Person authorized to sign such a certificate, including any Person specified as so authorized in any such certificate previously delivered and not superseded.

4. Whether or not expressly so provided, every provision of the Resolution relating to the conduct or affecting the liability of or affording protection to the Second Lien Trustee is subject to the provisions of this Section B-702.

5. In the event that the Second Lien Trustee is also acting as Second Lien Paying Agent or Second Lien Registrar hereunder, the rights and protections afforded to the Second Lien Trustee pursuant to this Article B-VII shall also be afforded to the Second Lien Paying Agent and Second Lien Registrar.

Section B-703 Second Lien Paying Agents and Second Lien Registrars; Appointment and Acceptance of Duties.

1. The Second Lien Trustee is hereby appointed the Second Lien Registrar and a Second Lien Paying Agent with respect to the Second Lien Obligations. The Issuer may at any time or from time to time appoint one or more other Second Lien Paying Agents and Second Lien Registrars in the manner and subject to the conditions set forth in Section B-713 for the appointment of a successor Second Lien Paying Agent or Second Lien Registrar. The Issuer may be appointed a Second Lien Paying Agent or Second Lien Registrar.

2. Each Second Lien Paying Agent and Second Lien Registrar other than the Second Lien Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Issuer and to the Second Lien Trustee a written acceptance thereof.

Section B-704 Responsibilities of Fiduciaries. The recitals of fact contained in the Resolution and in the Second Lien Obligations shall be taken as the statements of the Issuer and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Resolution or of any Second Lien Obligations issued thereunder or in respect of the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the issuance of the Second Lien Obligations for value or the application of the proceeds thereof or the application of any money paid to the Issuer. No Fiduciary shall be under any responsibility or duty with respect to the application of any money paid to any other Fiduciary. No Fiduciary shall be liable in connection with the performance of its duties under the Resolution, or for any losses, fees, taxes or other charges incurred upon the

purchase or sale or redemption of any securities purchased for or held in any Fund under the Resolution, including any losses incurred by reason of having to sell securities prior to their maturity date, except in each case for its own willful misconduct, negligent action or negligent failure to act.

Section B-705 Evidence on Which Fiduciaries May Act.

1. Each Fiduciary shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel of its selection, who may or may not be counsel to the Issuer, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted to be taken or suffered by it under the Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Resolution; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

3. Except as otherwise expressly provided in the Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Issuer to any Fiduciary shall be sufficiently executed if executed in the name of the Issuer by an Authorized Officer.

Section B-706 Compensation. The Issuer shall pay to each Fiduciary from time to time such compensation as shall be agreed to in writing between the Fiduciary and the Issuer for all services rendered under the Resolution (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Resolution. To the extent permitted by law, the Issuer further agrees to indemnify and save each Fiduciary and its officers, directors, agents, and employees harmless against any and all liabilities, losses, damages, claims or expenses which it may incur in the acceptance, exercise and performance of its powers and duties hereunder and which are not due to its willful misconduct, negligence or bad faith. The obligations of this Section B-706 shall survive the discharge of the Resolution. No obligations of the Issuer to make any payment to any Fiduciary shall have the benefit of any lien on or pledge or assignment of the Obligations Trust Estate or the Second Lien Obligations Trust Estate.

A Fiduciary shall notify the Issuer promptly of any claim for which it may seek indemnity. The Issuer shall defend the claim and the Second Lien Trustee shall cooperate in the

defense. The Fiduciary may have separate counsel and the Issuer shall pay the reasonable fees and expenses of such counsel.

Section B-707 Certain Permitted Acts. Any Fiduciary may become the owner of any Second Lien Obligations or any other obligations of the Issuer, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law and pursuant to the Resolution, any Fiduciary may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Second Lien Owners or the holders of any other obligations of the Issuer or to effect or aid in any reorganization growing out of the enforcement of the Second Lien Obligations or any other obligations of the Issuer under the Resolution, whether or not any such committee shall represent the Second Lien Owners of a majority in principal amount of the Second Lien Obligations then Outstanding.

Section B-708 Resignation of Second Lien Trustee. The Second Lien Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than 60 days' written notice to the Issuer and mailing notice thereof to the Second Lien Owners of the Second Lien Obligations, specifying the date when such resignation shall take effect, at least 45 days prior to the effective date, provided that such resignation shall take effect upon *the later of* (i) the day specified in such notice and (ii) the day a successor shall have been appointed by the Issuer or the Second Lien Owners as provided in Section B-710 and shall have qualified therefor.

Section B-709 Removal of Second Lien Trustee. The Second Lien Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Second Lien Trustee, and signed by the Second Lien Owners of a majority in principal amount of the Second Lien Obligations then Outstanding or their attorneys-in-fact duly authorized, excluding any Second Lien Obligations held by or for the account of the Issuer or any Related Entity. In addition, so long as no Second Lien Obligations Event of Default shall have occurred and be continuing hereunder and the Second Lien Trustee is not pursuing any right or remedy available to it pursuant to the Resolution, the Second Lien Trustee may be removed by the Issuer at any time for failure to provide reasonably acceptable services, failure to charge reasonably acceptable fees or any other reasonable cause, all as determined by a certificate of an Authorized Officer filed with the Second Lien Trustee. Any such removal shall not be effective until a successor shall have been appointed by the Issuer or the Second Lien Owners as provided in Section B-710 and shall have qualified therefor.

Section B-710 Appointment of Successor Second Lien Trustee.

1. In case at any time the Second Lien Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Second Lien Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Second Lien Trustee, or of its property or affairs, a successor may be appointed by the Second Lien Owners of a majority in principal amount of the Second Lien Obligations then Outstanding, excluding any Second Lien Obligations held by or for the account of the Issuer, by an instrument or concurrent instruments in writing signed and acknowledged by such Second Lien Owners or by their attorneys-in-fact

duly authorized and delivered to such successor Second Lien Trustee, notification thereof being given to the Issuer and the predecessor Second Lien Trustee; provided, nevertheless, that unless a successor Second Lien Trustee shall have been appointed by the Second Lien Owners as aforesaid, the Issuer by a duly executed written instrument signed by an Authorized Officer of the Issuer shall therewith appoint a Second Lien Trustee to fill such vacancy until a successor Second Lien Trustee shall be appointed by the Second Lien Owners as authorized in this Section B-710. The Issuer shall mail notice of any such appointment made by it to all Second Lien Owners within 20 days after such appointment. Any successor Second Lien Trustee appointed by the Issuer shall, immediately and without further act, be superseded by a Second Lien Trustee appointed by the Second Lien Owners.

2. If in a proper case no appointment of a successor Second Lien Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Second Lien Trustee shall have given to the Issuer written notice as provided in Section B-708 or after a vacancy in the office of the Second Lien Trustee shall have occurred by reason of its inability to act, the Second Lien Trustee or the Second Lien Owner of any Second Lien Obligations may, at the expense of the Issuer, apply to any court of competent jurisdiction to appoint a successor Second Lien Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Second Lien Trustee.

3. Any Second Lien Trustee appointed under the provisions of this Section B-710 in succession to the Second Lien Trustee shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

Section B-711 Transfer of Rights and Property to Successor Second Lien Trustee. Any successor Second Lien Trustee appointed under the resolution shall execute, acknowledge and deliver to its predecessor Second Lien Trustee, and also to the Issuer, an instrument accepting such appointment, and thereupon such successor Second Lien Trustee, without any further act, deed or conveyance, shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of such predecessor Second Lien Trustee, with like effect as if originally named as Second Lien Trustee; but the Second Lien Trustee ceasing to act shall nevertheless, on the written request of the Issuer, or of the successor Second Lien Trustee, and, upon the payment of all of its charges hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Second Lien Trustee all the right, title and interest of the predecessor Second Lien Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Second Lien Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Issuer be

required by such successor Second Lien Trustee for more fully and certainly vesting in and confirming to such successor Second Lien Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Issuer. Any successor Second Lien Trustee shall promptly notify the Second Lien Registrar and the Second Lien Paying Agents of its appointment as Second Lien Trustee.

Section B-712 Merger or Consolidation. Any Person into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its municipal corporate trust business, provided such Person shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution and shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section B-713 Resignation or Removal of Second Lien Paying Agent or Second Lien Registrar and Appointment of Successor.

1. Any Second Lien Paying Agent or Second Lien Registrar may at any time resign and be discharged of the duties and obligations created by the Resolution by giving at least 60 days' written notice to the Issuer, the Second Lien Trustee, and the other Second Lien Paying Agents or Second Lien Registrar, as the case may be. Any Second Lien Paying Agent or Second Lien Registrar may be removed at any time by an instrument filed with such Second Lien Paying Agent or Second Lien Registrar, the Second Lien Trustee and the Trustee and signed by the Issuer. Any successor Second Lien Paying Agent or Second Lien Registrar shall be appointed by the Issuer, with the approval of the Second Lien Trustee, and (subject to the requirements of Section B-603) shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

2. In the event of the resignation or removal of any Second Lien Paying Agent, such Second Lien Paying Agent shall pay over, assign and deliver any money held by it as Second

Lien Paying Agent to its successor, or if there be no successor, to the Second Lien Trustee. In the event that for any reason there shall be a vacancy in the office of any Second Lien Paying Agent, the Second Lien Trustee shall act as such Second Lien Paying Agent.

3. In the event of the resignation or removal of any Second Lien Registrar, such Second Lien Registrar shall transfer and deliver all records, certificates and documents held by it as Second Lien Registrar to its successor, or if there be no successor, to the Second Lien Trustee. In the event that for any reason there shall be a vacancy in the office of any Second Lien Registrar, the Second Lien Trustee shall act as such Second Lien Registrar.

Section B-714 Adoption of Authentication. In case any of the Second Lien Obligations contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Second Lien Trustee may adopt the certificate of authentication of any predecessor Second Lien Trustee so authenticating such Second Lien Obligations and deliver the Second Lien Obligations so authenticated; and in case any of such Second Lien Obligations shall not have been authenticated, any successor Second Lien Trustee may authenticate such Second Lien Obligations in the name of the predecessor Second Lien Trustee, or in the name of the successor Second Lien Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Second Lien Obligations or in the Resolution provided that the certificate of the Second Lien Trustee shall have.

Section B-715 Continuing Disclosure Agreements. The Second Lien Trustee shall be entitled to the same rights and the same degree of indemnification in its execution and performance of each continuing disclosure agreement entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, as it is under the Resolution.

ARTICLE B-VIII

DEFAULT AND REMEDIES

Section B-801 Abrogation of Right to Appoint Statutory Second Lien Trustee; Preservation of Statutory Rights and Remedies. Any right of the Second Lien Owners to appoint a trustee under the Issuer Act is hereby abrogated. Subject to the foregoing sentence of this Section B-901 and the provisions of Section 702, the Second Lien Owners and the Second Lien Trustee acting on behalf of the Second Lien Owners shall be entitled to all of the rights and remedies provided or permitted by law.

ARTICLE B-IX

MISCELLANEOUS

Section B-901 Defeasance.

1. If the Issuer shall pay or cause to be paid to the Second Lien Owners of all Second Lien Obligations then Outstanding the principal and interest and Second Lien Obligation Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then, at the option of the Issuer, expressed in an instrument in

writing signed by an Authorized Officer and delivered to the Second Lien Trustee, the covenants, agreements and other obligations of the Issuer to the Second Lien Owners shall be discharged and satisfied. In such event, the Second Lien Trustee shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries for the Second Lien Obligations shall pay over or deliver to the Issuer all money, securities and funds held by them pursuant to the Resolution which are not required for the payment or redemptions of Second Lien Obligations not theretofore surrendered for such payment or redemption.

2. Outstanding Second Lien Obligations or any portions thereof for the payment or redemption of which money shall have been set aside and shall be held in trust by the Second Lien Paying Agents shall at the respective maturity or redemption dates thereof be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section. Outstanding Second Lien Obligations or any portions thereof shall, prior to the respective maturity or redemption dates thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section either (A) as provided in the Supplemental Resolution authorizing their issuance or (B) if not so provided, if (a) in case any of said Second Lien Obligations are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Second Lien Trustee in form satisfactory to it irrevocable instructions to mail as provided in Article B-IV notice of redemption on said date of such Second Lien Obligations, (b) there shall have been irrevocably deposited with the Second Lien Trustee either money in an amount which shall be sufficient, or Second Lien Obligation Defeasance Securities the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Second Lien Trustee at the same time, shall be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to pay when due, the principal or Second Lien Obligation Redemption Price, if applicable, and interest due and to become due on such Second Lien Obligations or such portions thereof on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event such Second Lien Obligations are not by their terms maturing or are not subject to redemption within the next succeeding 60 days, the Issuer shall have given the Second Lien Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Second Lien Owners of such Second Lien Obligations that the deposit required by (b) above has been made with the Second Lien Trustee and that said Second Lien Obligations are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which money is to be available for the payment of the principal or Second Lien Obligation Redemption Price, if applicable, on such Second Lien Obligations. Neither Second Lien Obligation Defeasance Securities nor money deposited with the Second Lien Trustee pursuant to this Section nor principal or interest payments on any such Second Lien Obligation Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Second Lien Obligation Redemption Price, if applicable, and interest on said Second Lien Obligations; *provided, however*, that any money on deposit with the Second Lien Trustee, (i) to the extent such money will not be required at any time for such purpose, shall be paid over to the Issuer as received by the Second Lien Trustee, free and clear of any trust, lien or pledge securing said Second Lien Obligations or otherwise existing under the Resolution, and (ii) to the extent such money will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Second Lien Obligation Defeasance Securities maturing at times and in amounts sufficient, together with any money available to the Second

Lien Trustee for such purpose, to pay when due the principal or Second Lien Obligation Redemption Price, if applicable, and interest to become due on said Second Lien Obligations on and prior to such redemption date or maturity date thereof, as the case may be. Notwithstanding any other provision hereof, the Issuer may at the time of defeasance elect to retain the right to redeem or require the tender of obligations deemed paid pursuant to this Section B-901.2. The Second Lien Trustee shall, at the direction of the Issuer, select the Second Lien Obligations or portions thereof that are deemed to have been paid in advance of the redemption of such Second Lien Obligations.

3. Anything in the Resolution to the contrary notwithstanding, any money held by a Fiduciary in trust for the payment and discharge of the principal or Second Lien Obligation Redemption Price of or interest on any of the Second Lien Obligations which remains unclaimed for 2 years after the date when such principal, Second Lien Obligation Redemption Price or interest, respectively, has become due and payable, either at stated maturity dates or by call for earlier redemption, if such money was held by the Fiduciary at such date, or for 2 years after the date of deposit of such money if deposited with the Fiduciary after the date when such principal, Second Lien Obligation Redemption Price, or interest, respectively, became due and payable, shall, at the written request of the Issuer, be repaid by the Fiduciary to the Issuer, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Second Lien Owners shall look only to the Issuer for the payment of such principal, Second Lien Obligation Redemption Price, or interest, respectively. Notwithstanding the foregoing or anything in the Resolution to the contrary, any money held by a Fiduciary in trust for the payment and discharge of any Second Lien Obligations which remains unclaimed after such money was to be applied to the payment of such Second Lien Obligations in accordance with the Resolution may be applied in accordance with the provisions of the Abandoned Property Law of the State, being Chapter 1 of the Consolidated Laws of the State or any successor provision thereto, and upon such application, the Fiduciary shall thereupon be released and discharged with respect thereto and the Second Lien Owners shall look only to the Issuer or the Comptroller of the State for the payment of such Second Lien Obligations. Before being required to make any such payment to the Issuer or to apply such money in accordance with the Abandoned Property Law of the State, the Fiduciary shall, at the expense of the Issuer, cause to be mailed to the Second Lien Owners entitled to receive such money a notice that said money remains unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the mailing, the balance of such money then unclaimed will be returned to the Issuer or applied in accordance with the Abandoned Property Law of the State, as the case may be.

Section B-902 Evidence of Signatures of Second Lien Owners and Ownership of Second Lien Obligations.

1. Any request, consent, revocation of consent or other instrument which the Resolution may require or permit to be signed and executed by the Second Lien Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Second Lien Owners in Person or by their attorneys-in-fact appointed in writing or by such electronic or other means as may be recognized pursuant to applicable law. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any Person of the Second Lien Obligations shall be sufficient for any purpose of the Resolution, except as

otherwise therein expressly provided, if made in the following manner, or in any other manner satisfactory to the Second Lien Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(a) The fact and date of the execution by any Second Lien Owner or his attorney-in-fact of such instrument may be proved by the certificate of a signature guarantor, or of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him or her the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership such certificate or affidavit shall also constitute sufficient proof of his authority; and

(b) The ownership of Second Lien Obligations and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

2. Any request or consent by a Second Lien Owner of Second Lien Obligations shall bind all future Second Lien Owners of such Second Lien Obligations in respect of anything done or suffered to be done by the Issuer or any Fiduciary in accordance therewith.

Section B-903 Money Held for Particular Second Lien Obligations. The amounts held by any Fiduciary for the payment of the interest, principal or Second Lien Obligation Redemption Price due on any date with respect to particular Second Lien Obligations shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Second Lien Owners entitled thereto.

Section B-904 Preservation and Inspection of Documents. All documents received by a Fiduciary under the provisions of the Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, any other Fiduciary, and any Second Lien Owners of at least 5% aggregate principal amount of Second Lien Obligations and their agents and their representatives, any of whom may make copies thereof.

Section B-905 Interest of Parties Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to any Person, other than the Issuer, the Fiduciaries, the Second Lien Owners and the holders of Second Lien Parity Debt, any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof, and all the covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Fiduciaries, the Second Lien Owners and the holders of Second Lien Parity Debt.

Section B-906 No Recourse on the Second Lien Obligations. No recourse shall be had for the payment of the principal or Second Lien Obligation Redemption Price of or interest on the Second Lien Obligations or Second Lien Parity Debt or for any claim based thereon or on the Resolution against any member, officer, or employee of the Issuer or any Person executing the Second Lien Obligations.

Section B-907 Severability of Invalid Provisions. If any term or provision of this Annex B or the Resolution shall be invalid, 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 or statute or rule of 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, and such term and provision shall be valid and enforced to the fullest extent permitted by law.

The invalidity of any one or more phrases, sentences, clauses or Sections of the Resolution shall not affect the remaining portions of the Resolution, or any part thereof, including any part of this Annex B.

Section B-908 Exclusion of Second Lien Obligations. Second Lien Obligations owned or held by or for the account of the Issuer or any Related Entity shall not be deemed Outstanding for the purpose of any consent to be given or other action to be taken by or upon the direction of Second Lien Owners of a specified portion of Second Lien Obligations Outstanding, and the Issuer or any Related Entity shall not be entitled with respect to such Second Lien Obligations to give any such consent or to take, or direct the taking of, any such action. At the time of any such consent or action, the Issuer shall furnish to the Second Lien Trustee a certificate of an Authorized Officer, upon which the Second Lien Trustee may conclusively rely, describing all Second Lien Obligations so to be excluded.

Section B-909 Governing Law. The Resolution, including this Annex B, shall be governed by and interpreted in accordance with internal laws of the State, without regard to conflict of law principles thereof.