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MASTER TRANSFER AND REMITTANCE AGREEMENT

by and among

NYCTL 1998-2 TRUST,

THE CITY OF NEW YORK,

NEW YORK CITY ENERGY EFFICIENCY CORPORATION

and

[LIEN OWNER]

Dated as of [_____, 202_]

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THIS MASTER TRANSFER AND REMITTANCE AGREEMENT, dated as of _____, 202_ (the “Agreement”) is by and among NYCTL 1998-2 TRUST, a Delaware statutory trust (the “Trust”), THE CITY OF NEW YORK (the “City”), the New York City Energy Efficiency Corporation (“NYCEEC”), a not-for-profit corporation incorporated under the laws of the State of New York acting as the Administrator (as defined herein) and [LENDER] a [_____] incorporated under the laws of the State of [_____] (together with its permitted successors or assigns, the “Lien Owner”).

WHEREAS, pursuant New York General Municipal Law, Section 119-gg (“GML 119-gg”) and Title 11, Chapter 30 of the New York City Administrative Code (the “PACE Local Law”), the City has established a commercial property assessed clean energy loan program (the “Program”) pursuant to which the Lien Owner will make loans (each a “Loan”) to commercial property owners to pay for energy efficiency projects authorized by the Program (each a “Project”);

WHEREAS, pursuant to GML 119-gg and the PACE Local Law, the City is authorized to (a) levy PACE Charges (as defined herein) and include such charges on the property tax bill (the “Statement of Account”) for properties with a Loan, such charges representing payments coming due under the Loan; (b) collect such PACE Charges in the same manner as it collects property taxes and other City property related charges; and (c) remit such collected PACE Charges to the Lien Owner;

WHEREAS, pursuant to the PACE Local Law, PACE Charges that are unpaid when due, together with any unpaid interest and fees, if any, on the unpaid PACE Charges, become a PACE Charge Lien (a “PACE Charge Lien”) subject to the provisions of §§11-3001 *et seq.* of the New York City Administrative Code;

WHEREAS, the Lien Owner desires, pursuant to the terms of this Agreement, the ability to transfer PACE Charge Liens related to a Loan to the Trust for the purpose of the Trust collecting payments on such PACE Charges to which such PACE Charge Liens relate and remitting such collections (net of such other payments, fees and charges described in this Agreement, and referred to and further defined herein as “Net Collections”) to the Lien Owner;

WHEREAS, pursuant to, and in conformance with, the provisions of this Agreement, the Trust will accept receipt of PACE Charge Liens transferred to the Trust and attempt to collect payment of such PACE Charges in accordance with this Agreement and remit Net Collections to the Lien Owner;

WHEREAS, pursuant to this Agreement, all Net Collections shall be transferred to the Administrator for remittance to the Lien Owner; and

WHEREAS, the Lien Owner also desires this Agreement to provide for the option, at the sole discretion of the Trust on its part, to sell PACE Charge Liens to the Trust.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

“Adjusted Redemptive Value” means, with respect to any PACE Charge Lien and any date of calculation, (i) the PACE Charge Lien Principal Balance thereof plus all accrued interest thereon and recoverable lien administration expenses, as of such date of calculation, exclusive of, in the case of the Bankruptcy PACE Charge Liens where a Property Owner was the subject of a bankruptcy proceeding as of the applicable Conveyance Date, the 5% surcharge and any interest rate increases pursuant to Section 11-332 of Chapter 3 of Title 11 of the City Admin. Code, the costs of notice and advertisement and any other penalty amounts, or (ii) in the case of a PACE Charge Lien that has been the subject of a judicial modification in a bankruptcy proceeding, the amount fixed by the applicable bankruptcy court.

“Administrator” means NYCEEC, in its capacity as the Administrator of the Program as provided for by the Administration Agreement, dated _____, 202_, by and between NYCEEC and the New York City Department of Environmental Protection, acting on behalf of the City, or such successor Administrator provided for pursuant to the Administration Agreement.

“Anchoring Tax Lien” means, with respect to any PACE Charge Lien, any property tax lien sold by the City of New York and/or any water and sewer lien sold by the New York City Water Board to the Trust or such other securitization trust as authorized by the Commissioner of Finance, in accordance with Chapter 3 of Title 11 of the City Admin. Code, in each case on the related Subject Property, and which sale of such property tax lien or water and sewer lien is simultaneous with the transfer or sale of such PACE Charge Lien.

“Bankruptcy Code”: The United States Bankruptcy Code, 11 U.S.C. Section 101 et seq.

“Bankruptcy PACE Charge Liens” means, as of any given date of determination, PACE Charge Liens with respect to which the related Property Owner (i) has filed a voluntary petition for relief under the Bankruptcy Code, or (ii) has had instituted against it an involuntary case under the Bankruptcy Code (collectively, a “Bankruptcy Proceeding”) which shall have resulted in an order for relief having been issued or which remains undismissed for a period of 30 days and, in either case, such Property Owner remains subject to such Bankruptcy Proceeding as of the applicable date of determination.

“City Admin. Code” means the New York City Administrative Code.

“Collections” means payments (including the proceeds of a foreclosure sale) collected by the Trust for tax liens on a property including property tax liens, other property-related tax liens, water and sewer liens, PACE Charge Liens and any interest, penalties or fees thereon.

“Commissioner of Finance” means the Commissioner of Finance of the City of New York.

“Consideration” means cash or cash equivalent in immediately available funds, or other consideration acceptable to the Lien Owner, or any combination thereof, in payment for the PACE Charge Liens that are sold to the Trust.

“Conveyance Date” means the date identified in a Supplement or Purchase and Sale Agreement on which PACE Charge Liens will be transferred in name only, or sold, as applicable, to the Trust.

“Defective PACE Charge Lien” means any PACE Charge Lien which is the subject of a notice given pursuant to Section 3.01(b)(i) hereof, and as to which the reason for such notice has not been cured or remedied within 30 days of the Lien Owner’s receipt of such notice.

“Initial PACE Charge Lien Principal Balance” means, in respect of a given PACE Charge Lien, the Redemptive Value of such PACE Charge Lien as of the applicable Conveyance Date, as set forth in the Lien Schedule.

“Lien” means any security interest, lien, charge, pledge, equity or encumbrance of any kind, attaching the interests of the Lien Owner in and to the PACE Charge Liens.

“Lien Owner” means [the Lender] which provides Loans for Projects under the Program and is the owner of related PACE Charges and any related PACE Charge Liens appearing on the Property Owners’ Statement of Account, and any permitted successors and assigns.

“Loan” has the meaning defined in the second paragraph of this Agreement.

“Lien Schedule” means the schedule attached to a Supplement or Purchase and Sale Agreement which lists the PACE Charge Liens that are to be transferred in name only, or sold, as applicable, to the Trust on the applicable Conveyance Date.

“Net Collections” means, with respect to each PACE Charge Lien, the amount defined in Section 2.03(a)(v).

“Officer’s Certificate” means a certificate signed by a Responsible Officer of the Lien Owner or the Paying Agent and Custodian, as applicable.

“Opinion of Counsel” means one or more written opinions of counsel who may be an employee of or counsel to the Lien Owner, which counsel shall be acceptable to the Trustee.

“PACE Charge” means an amount charged to a Property Owner as payment due under the related Loan.

“PACE Charge Lien Certificate” means, with respect to any PACE Charge Lien transferred or sold to the Trust, a certificate evidencing such PACE Charge Lien, which shall be deemed to be a “tax lien certificate” as defined in Section 11-301 of the City Admin. Code and may include a global certificate relating to more than one PACE Charge Lien.¹

“PACE Charge Lien File” means, with respect to any PACE Charge Lien sold or transferred to the Trust, the file relating to such PACE Charge Lien, including but not limited to the related PACE Charge Lien Certificate.

“PACE Charge Lien Principal Balance”: With respect to any PACE Charge Lien as of a particular date, the Initial PACE Charge Lien Principal Balance thereof less all Collections thereon allocated pursuant to the Servicing Agreement after the applicable Conveyance Date, as the case may be, to such particular date.

“Paying Agent and Custodian” means The Bank of New York Mellon, as Paying Agent and Collateral Agent and Custodian under the Paying Agent and Custody Agreement.

“Paying Agent and Custody Agreement” means the Third Amended and Restated Paying Agent and Custody Agreement, dated as of [_____, 202_], as amended to the date hereof and otherwise modified from time to time, among the Trust, the Servicers and the Paying Agent and Custodian.

“Person” means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

“Project” has the meaning provided in the first paragraph of this Agreement.

“Property Owner” means a property owner that has taken out a Loan with the Lien Owner to pay the costs of a Project.

“Purchase and Sale Agreement”: means an agreement between the Lien Owner and the Trust substantially in the form of Exhibit 2 pursuant to which the Lien Owner agrees to sell, and the Trust agrees to purchase, the PACE Charge Liens identified in such agreement.

“Redemptive Value” means, with respect to PACE Charge Liens transferred or sold to the Trust and any date of calculation, the sum of the PACE Charge Lien Principal Balance thereof and all accrued interest thereon as of such date of calculation, the 5% surcharge and any interest rate increases pursuant to Section 11-332 of Chapter 3 of Title 11 of the City Admin. Code, the costs of notice and advertisement and any other penalty amounts.

¹ TBD: provide for a separate certificate for PACE Charge Liens, or include all liens for a particular conveyance date on single Tax Lien Certificate? If separate, will require separate discharge.

“Responsible Officer” means (i) with respect to the City, the Commissioner or Acting Commissioner of Finance, the First Deputy Commissioner of Finance, any Deputy Commissioner or Assistant Commissioner of Finance and any other person designated by the Commissioner of Finance to act for and on behalf of the Commissioner of Finance in the exercise of all functions, powers and duties which the Commissioner of Finance may have pursuant to Chapter 3 of Title 11 of the City Admin. Code, the Director of Management and Budget, any Deputy Director of Management and Budget or any other official of the City customarily performing functions similar to those performed by any of the above designated officials, and also with respect to a particular matter, any other official to whom such matter is referred because of such official’s knowledge of and familiarity with the particular subject and (ii) with respect to [Lien Owner], the Trust, the Administrator, the Paying Agent and Custodian or a Servicer, the officer(s) of such party assigned the responsibility for the performance of its duties in connection with the transaction contemplated herein.

“Servicers” mean each of MTAG Services, LLC, or Tower Capital Management, LLC, in its respective role as a Servicer under the applicable Servicing Agreement, or any successor of either.

“Servicing Agreements” mean the Amended and Restated Servicing Agreement, dated as of [____], 202_, by and among the Trust, MTAG Services, LLC, as Servicer, and the Paying Agent and Custodian as amended to the date hereof and otherwise modified from time to time and which provides for the servicing of PACE Charge Liens held by the Trust, and the Amended and Restated Servicing Agreement, dated as of [____], 202_, by and among the Trust, Tower Capital Management, LLC and the Paying Agent and Custodian, as amended to the date hereof and otherwise modified from time to time and which provides for the servicing of PACE Charge Liens held by the Trust.

“State” means the State of New York.

“Subject Property” means the property related to the PACE Charge Liens that have been transferred or sold to the Trust pursuant to this Agreement.

“Supplement” means a supplement to this Agreement substantially in the form of Exhibit 1 amongst the parties hereto, providing for the transfer in name only of certain PACE Charge Liens to the Trust for the purposes of this Agreement.

“Tax Lien Enabling Act” means Chapter 3 of Title 11 of the Administrative Code of the City.

“Tax Lien Program Manager” means RESF Advisors, Inc.

“Transaction Documents” means, collectively, the Paying Agent and Custody Agreement, any Supplement or Purchase and Sale Agreement, the Servicing Agreements, the Trust Agreement and any other agreement, instrument or document executed and delivered in connection with the transactions contemplated by such agreements.

“Trust” means the NYCTL 1998-2 Trust, a Delaware statutory trust, or any successor thereto.

“Trust Agreement” means the 202_ Amended and Restated Declaration and Agreement of Trust relating to the Trust, dated as of [____], 202_, by and between the Trustee and the City, as amended to the date hereof and as may be amended and restated pursuant to the provisions thereof.

“Trust Officer” means, with respect to the Trustee, any officer in the Global Capital Markets Department of the Trustee with direct responsibility for the administration of the Trust Agreement and the other Transaction Documents on behalf of the Trustee.

“Trustee” means Wilmington Trust Company, not in its individual capacity but solely as Issuer Trustee of the Trust under the Trust Agreement, and any successor Issuer Trustee thereunder.

SECTION 1.02. Other Definitional Provisions.

(i) Capitalized terms used herein and not otherwise defined herein have the meanings assigned to them in the Trust Agreement.

(ii) All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(iii) As used in this Agreement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Agreement or in any such certificate or other document, and accounting terms partly defined in this Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under generally accepted accounting principles. To the extent that the definitions of accounting terms in this Agreement or in any such certificate or other document are inconsistent with the meanings of such terms under generally accepted accounting principles, the definitions contained in this Agreement or in any such certificate or other document shall control.

(iv) The words “hereof”, “herein”, “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; Article, Section, Schedule and Exhibit references contained in this Agreement are references to Articles, Sections, Schedules and Exhibits in or to this Agreement unless otherwise specified; and the term “including” shall mean “including without limitation”.

(v) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

(vi) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time amended, modified or supplemented and includes (i) in the case of agreements or instruments, references to all attachments thereto and instruments incorporated therein, and (ii) in the case of statutes, any successor statutes; references to a Person are also to its permitted successors and assigns.

ARTICLE II

PACE CHARGE LIENS CONVEYANCE, COLLECTION AND REMITTANCE

SECTION 2.01. Transfer of PACE Charge Liens to the Trust. (a) Upon the written acknowledgment and agreement of the parties hereto, substantially in the form of the Supplement provided in Exhibit 1 with respect to each transfer the Lien Owner hereby designates and appoints the Trust or its designee to act as the Lien Owner's agent and as the servicer on such Lien Owner's behalf to enforce and collect payment in respect of the PACE Charge Liens and, in such capacity, such Lien Owner will list the PACE Charge Liens to be transferred in name only on the Lien Schedule to the applicable Supplement from the Lien Owner to the Trust solely for the purpose of enabling the Trust acting as an agent of the Lien Owner to attempt to collect payment in respect of such PACE Charge Liens. The Trust will remit to the Lien Owner the related Net Collections, if any, received by the Trust. Such transfer pursuant to a Supplement shall be a transfer in name only and shall not convey a beneficial ownership interest in the PACE Charge Liens to the Trust or an obligation on the part of the Trust to pay any amounts, other than the Net Collections actually received by the Trust, to any party. If a global PACE Charge Lien Certificate is delivered in connection with the transfer or sale of PACE Charge Liens to the Trust, the Lien Owner shall, upon request by the Trust or its designee, cooperate with the Trust and/or its designee in exchanging such global PACE Charge Lien Certificate for confirmatory individual PACE Charge Lien Certificates.

(b) In performing and carrying out its duties, responsibilities and obligations as servicer on behalf of the Lien Owner, the Trust may, without the prior written consent of the parties hereto, designate and appoint any qualified Person to perform and carry out any duties, covenants or obligations to be performed and carried out by the Trust as servicer. Pursuant to each Servicing Agreement, each Servicer is designated and appointed as an initial designee of the Trust to perform and carry out such duties, covenants and obligations.

(i) The Trust and/or its designee shall at all times maintain accurate records and books of account, an adequate system of audit and internal controls and otherwise service the PACE Charge Liens in a responsible, business-like manner and in accordance with good and accepted commercial practice. Except as the City (or the Law Department of the City) may otherwise instruct the Trust and/or its designee in writing, the Trust and/or its designee shall promptly notify the City, and shall notify the Lien Owner on at least a monthly basis, in writing, of any event, circumstance or occurrence of which a Responsible Officer of the Trust has actual

knowledge that could, in the reasonable judgment of the Trust and/or its designee, materially adversely affect: (a) the terms of any PACE Charge Lien, including any legal challenges filed in any judicial or administrative proceeding (whether in a foreclosure or bankruptcy proceeding or otherwise) to the amount, the enforceability or the lien priority thereof, (b) the Subject Property related to such PACE Charge Lien, or (c) the ability of the Trust and/or its designee to service any PACE Charge Lien or to otherwise perform and carry out its duties, responsibilities and obligations hereunder or under the related Servicing Agreement. The Trust shall seek to recover on a timely basis the largest amount possible with respect to each PACE Charge Lien transferred to the Trust; provided, however, that nothing herein shall be construed as an express or implied guarantee by the Trust of the collectability of the PACE Charge Liens or of its ability to effect the timely or complete recovery thereof. The Trust shall have full power and authority to do or cause to be done any and all things in connection with such servicing and administration which it may deem necessary or desirable. Without limiting the generality of the foregoing, the Trust shall, and is hereby authorized and empowered by the Lien Owner to, with respect to each PACE Charge Lien it is obligated to service, prepare, execute and deliver, on behalf of the Lien Owner, including, if necessary, in the name of the Lien Owner, any and all documents or other instruments necessary to maintain the lien of or enforce the PACE Charge Liens on each Subject Property if, in its reasonable judgment, such action is in accordance with, or is required by this Agreement. Without limiting the generality of the power and authority granted herein, the Trust and/or its designee shall also have full power and authority to prepare, execute, acknowledge and deliver, in connection with any foreclosure action brought on behalf of the Lien Owner, including, if necessary, in the name of the Lien Owner, the following documents: (i) affidavit of verification of debt, (ii) affidavit in support of default judgment, (iii) affidavit in support of motion for summary judgment, (iv) affidavit regarding testimony before referee, (v) computation of amount due oath, (vi) combined verification, oath and designation regarding the appointment of an administrator with the surrogates court and (vii) such other oaths, affidavits and/or documents as may be necessary for the prosecution of the foreclosure action. The Trust and/or its designee shall take such steps as are customary to monitor the status of liens or other encumbrances that could be superior in lien priority to the lien of the PACE Charge Liens, but shall have no obligation hereunder to take any action, as the Trust may deem appropriate, to protect the Trust Estate (as defined in the Trust Agreement) against any such superior liens until the time, if any, of the actual foreclosure of such superior lien, and such actions shall be subject to the availability of funds for such purpose. The Lien Owner shall, upon the receipt of a written request of a Responsible Officer of the Trust, execute and deliver to the Trust any powers of attorney and other documents prepared by the Trust and/or its designee and necessary or appropriate (as certified in such written request) to enable the Trust and/or its designee to carry out its servicing and administrative duties hereunder and under the related Servicing Agreement. The execution of this Agreement by the Trust hereby constitutes the written request of a Responsible Officer of the Trust for the Lien Owner to execute and deliver such power of attorney in substantially the form set forth as Exhibit 3 hereto, and certification that such power of attorney is necessary and appropriate to enable the Trust and/or its designee to carry out its servicing and administrative duties hereunder and under the related Servicing Agreement.

(ii) The Trust and/or its designee shall have the sole obligation to file any and all proofs of claim relating to any PACE Charge Lien where the Property Owner or the Subject Property is or becomes the subject of a bankruptcy proceeding, and shall provide the Law Department of the City and the Administrator with copies thereof upon request; provided, however, that the Trust and/or its designee shall have no such obligation with respect to any unidentified Bankruptcy PACE Charge Lien existing prior to the applicable Conveyance Date in the event that the time for filing a proof of claim with respect to such PACE Charge Lien has elapsed by the date on which the Trust and/or its designee becomes aware that such PACE Charge Lien is a Bankruptcy PACE Charge Lien. The Trust and/or its designee shall file a notice of appearance and request for notice in accordance with Rule 2002 of the Federal Rules of Bankruptcy Procedure in any and all bankruptcy proceedings relating to the PACE Charge Liens. The Trust and/or its designee shall comply with Rule 3001(e) of the Federal Rules of Bankruptcy Procedure with respect to the Bankruptcy PACE Charge Liens.

(iii) With respect to (A) any PACE Charge Lien for which estimates of the related lien administration expenses exceed the anticipated collections with respect to such PACE Charge Liens; (B) any PACE Charge Lien (or, in respect of a partially defective PACE Charge Lien, the defective portion thereof) with respect to which the Trust and/or its designee has received less than the Adjusted Redemptive Value of such PACE Charge Lien (i) through the sale or disposition of the underlying Subject Property, (ii) through an assignment of the winning foreclosure bid for the underlying Subject Property, (iii) through the receipt of the amount representing a cure of a Defective PACE Charge Lien or the defective portion of a PACE Charge Lien or (iv) through judicial determination; (C) any PACE Charge Lien the Adjusted Redemptive Value of which is less than or equal to \$50; or (D) any permitted liquidation pursuant to Section 2.10 of the Servicing Agreement, the Trust and/or its designee shall reconvey such PACE Charge Lien to the Lien Owner, and the Trust and/or its designee shall coordinate as appropriate with the Lien Owner to facilitate the transfer of such PACE Charge Lien hereunder and under the Servicing Agreement.

(iv) The Trust and/or its designee may transfer a PACE Charge Lien back to the Lien Owner if, by the second (2nd) anniversary of the applicable Conveyance Date, the Trust and/or its designee shall not have initiated foreclosure proceedings with respect to such PACE Charge Lien or it shall have collected 50% or less of the Initial PACE Charge Lien Principal Balance of such PACE Charge Lien. If the Trust and/or its designee elects to transfer a PACE Charge Lien back to the Lien Owner, the Trust and/or its designee shall coordinate as appropriate with the Lien Owner to facilitate such transfer of such PACE Charge Lien hereunder and under the Servicing Agreement.

(v) No earlier than [one (1)] year following the applicable Conveyance Date, the Lien Owner may request, upon at least thirty (30) days' prior written notice thereof to the Trust and/or its designee, the transfer of a PACE Charge Lien back to the Lien Owner. The Trust and/or its designee shall coordinate as appropriate with the Lien Owner to facilitate such transfer of such PACE Charge Lien hereunder and under the Servicing Agreement.

(c) The transfer of the PACE Charge Liens to the Trust shall be authorized pursuant to this Agreement only in conjunction with the simultaneous sale of an Anchoring Tax Lien to the Trust or such other securitization trust as authorized by the Commissioner of Finance. If it is determined that (x) there was not a simultaneous sale of an Anchoring Tax Lien, and/or (y) a tax lien and/or water and sewer lien on the related Subject Property has been sold to a securitization trust without authorization by the Commissioner of Finance or has otherwise been sold in error to the Trust or a securitization trust, the Trust and/or its designee shall reconvey such PACE Charge Lien to the Lien Owner, and the Trust and/or its designee shall coordinate as appropriate with the Lien Owner to facilitate the transfer of such PACE Charge Lien hereunder and under the Servicing Agreement.

SECTION 2.02. Sale of PACE Charge Liens (a) Regardless of whether any prior transfer in name only of PACE Charge Liens to the Trust has been effected pursuant to Section 2.01, if the Lien Owner offers to sell to the Trust, and the Trust agrees, at its sole discretion, to purchase from the Lien Owner PACE Charge Liens, such sale shall be consummated pursuant to a Purchase and Sale Agreement executed and delivered by the Trust and such Lien Owner substantially in the form of Exhibit 2. In consideration of the Trust's agreement to purchase such PACE Charge Liens on the applicable Conveyance Date, the Trust will deliver on the Conveyance Date to or upon the order of the Lien Owner the Consideration representing the purchase price for such PACE Charge Liens and on the applicable Conveyance Date, the Lien Owner will sell, transfer, assign, set over and otherwise convey to the Trust, without recourse (subject to the obligations herein), (i) all right, title and interest of the Lien Owner in the PACE Charge Liens listed on the Lien Schedule to the applicable Purchase and Sale Agreement and (ii) all payments due or to become due representing Collections in respect of such PACE Charge Liens, whether now owned or hereinafter acquired, to the extent such Collections have not previously been transferred by the City to the Lien Owner to reduce the PACE Charge Lien Principal Balance of such PACE Charge Liens prior to the applicable Conveyance Date for the Schedule of PACE Charge Liens; and (iii) the proceeds of any and all of the foregoing.

(b) The sale of PACE Charge Liens to the Trust shall be authorized only in conjunction with the simultaneous sale of an Anchoring Tax Lien to the Trust or such other securitization trust as authorized by the Commissioner of Finance, pursuant to a separate purchase and sale agreement or agreements, in conformance with the terms of this Agreement and the applicable Purchase and Sale Agreement.

SECTION 2.03. Remittance of Collections

(a) Upon the transfer of PACE Charge Liens to the Trust pursuant to Section 2.01 hereof, the Servicers will, in accordance with the servicing standard set forth in Section 2.01(a) of the applicable Servicing Agreement, enforce and secure Collections on liens held by the Trust with respect to a Subject Property including any PACE Charge Liens, which Collections, pursuant to the Paying Agent and Custody Agreement, shall be received and deposited by the Paying Agent and Custodian into the appropriate account pursuant to the provisions of the Trust Agreement and Paying Agent and Custody Agreement, as may be amended from time to time. With respect to a Subject Property, such Collections shall be applied as follows:

- (i) First, in the event of a foreclosure judgment and sale of the Subject Property, to all court and legal fees and charges related to such foreclosure and sale;
- (ii) Second, pro rata based on the aggregate principal balance of the tax liens and the aggregate PACE Charge Lien Principal Balance of the PACE Charge Liens on such Subject Property, to all such fees and charges payable to the Trust, Trustee (as such or in its individual capacity), Servicers and Paying Agent and such other fees, administrative and otherwise, payable pursuant to the Trust Agreement, Paying Agent and Custody Agreement and Servicing Agreements;
- (iii) Third, to (x) all due and payable delinquent property taxes, other City related property charges and any interest or penalties thereon; and (y) all due and payable delinquent water and sewer charges and fees and any interest and penalties thereon due and payable to the New York City Water Board; provided, however, if the remaining Collections are insufficient to pay the amounts cited in (x) and (y) in this subsection, such Collections shall be applied on a pro rata basis to such charges and interest;
- (iv) Fourth, to (x) the payment of all property tax liens and other City related property liens held by the Trust and any interest or penalties thereon; and (y) the payment of all water and sewer liens held by the Trust and any interest and penalties thereon; provided, however, if the remaining Collections are insufficient to pay the amounts cited in (x) and (y) in this subsection, such Collections shall be applied on a pro rata basis to such charges and interest;
- (v) Fifth, such remaining funds (referred to herein as “Net Collections”) to the Lien Owner.

(b) Such Net Collections to be distributed pursuant to Section 2.03(a)(v) shall be remitted to the Administrator for the benefit of the Lien Owner as provided for in the Paying Agent and Custody Agreement.

(c) (i) Pursuant to each Servicing Agreement, in the event that (x) a payment is received by the Servicer from a Property Owner whose Subject Property is subject to tax liens owned not only by the Trust and/or a PACE Charge Lien Owner, but also by other trusts for which the Paying Agent and Custodian is the indenture trustee and (y) the Servicer is required to determine the allocation of such payment between these trusts, the Servicer will allocate such payment to the various trusts in accordance with Section 2.12 of the Servicing Agreement. For the avoidance of doubt, such payment will be allocated to the payment of PACE Charge Liens only after payment of all other tax liens to which such Subject Property is subject.

(ii) Pursuant to each Servicing Agreement, in the event that (i) a payment is received by the Servicer from a Property Owner whose Subject Property is subject to PACE

Charge Liens or portions of PACE Charge Liens bearing interest at any combination of interest rates, and (ii) the Servicer is required to determine the allocation of such payment between such PACE Charge Liens or portions of PACE Charge Liens, the Servicer will allocate such payment in the following order: *first*, to the payment of recoverable expenses as described in Section 2.03(a)(i) and (ii) above; *second*, to the payment of accrued interest on and the principal of the PACE Charge Liens or portions thereof bearing interest at the highest interest rate; *third*, to the payment of accrued interest on and the principal of the PACE Charge Liens or portions thereof bearing interest at the next highest interest rate, and so on.

(d) Notwithstanding any other provision of this Agreement, there shall not be imposed or collected in connection with any Bankruptcy PACE Charge Lien any penalty amounts, including, but not limited to, the 5% surcharge and any interest rate increases described in Section 11-332 of the Tax Lien Enabling Act.

(e) It is acknowledged by the parties hereto, in the event the Lien Owner sells PACE Charge Liens to the Trust pursuant to Section 2.02 hereof, all subsequent Collections related to such liens shall be the sole property of the Trust and none of such Collections shall be owed or payable to the Lien Owner.

ARTICLE III

REPRESENTATIONS AND LIABILITIES

SECTION 3.01. Representations and Covenants of the Lien Owner

(a) The Lien Owner hereby represents and warrants with respect to the PACE Charge Liens listed on the applicable Lien Schedule to Exhibit 1 or Exhibit 2, as applicable, that as of the applicable Conveyance Date:

- (i) the information required to be set forth in the applicable Lien Schedule is correct in all material respects;
- (ii) The Lien Owner was the sole owner of the PACE Charge Liens listed on the applicable Lien Schedule;
- (iii) The Lien Owner had full right and authority to transfer or sell such PACE Charge Liens to the Trust, as the case may be, pursuant to the provisions of Section 2.01 and 2.02, as applicable;
- (iv) This Agreement constitutes a legal, valid and binding obligation of the Lien Owner enforceable in accordance with its terms;
- (v) The transfer or sale of such PACE Charge Liens by the Lien Owner to the Trust for the purposes of this Agreement did not contravene or conflict with

any laws, rules or regulations or any contractual or other restriction, limitation or encumbrance applicable to the Lien Owner;

- (vi) To the best knowledge of the Lien Owner, without inquiry, the PACE Charge Liens were not subject to a foreign government's diplomatic immunity from enforcement or bilateral treaty with the United States of America;
- (vii) To the best knowledge of the Lien Owner, without inquiry, no right of rescission, setoff, counterclaim or defense had been asserted with respect to such PACE Charge Liens;
- (viii) To the best knowledge of the Lien Owner, without inquiry, none of the PACE Charge Liens were related to a Subject Property owned by a Property Owner that is subject to any bankruptcy proceeding commenced prior to October 22, 1994; and
- (ix) To the best knowledge of the Lien Owner, without inquiry, such PACE Charge Liens had not been discharged or disallowed (in whole or in part) in a bankruptcy proceeding.

(b) (i) Upon discovery by the Lien Owner, the Trust or its designee, a Responsible Officer of the Paying Agent and Custodian or any Servicer of a breach of any of the foregoing representations and warranties (without regard to any knowledge qualifier therein) that materially and adversely affects the ability to collect the amounts due with respect to any PACE Charge Lien or, with respect to PACE Charge Liens sold to the Trust pursuant to Section 2.02 hereof only, the value of such PACE Charge Lien, the party discovering such breach or its designee shall give prompt written notice to the other parties.

(ii) As to any Defective PACE Charge Lien, no later than twenty (20) days following the day on which such PACE Charge Lien becomes a Defective PACE Charge Lien, the Trust and/or its designee shall reconvey such Defective PACE Charge Lien to the Lien Owner, and the Trust and/or its designee shall coordinate as appropriate with the Lien Owner to facilitate the reconveyance of such PACE Charge Lien hereunder and under the Servicing Agreement. In connection with any such reconveyance of a PACE Charge Lien that was sold to the Trust, the Lien Owner shall repurchase such PACE Charge Lien at a repurchase price equal to the purchase price paid by the Trust to the Lien Owner for such PACE Charge Lien pursuant to the related Purchase and Sale Agreement, less any Collections received by the Trust in respect of such Defective PACE Charge Lien. The obligations of the Lien Owner under this Section 3.01(b)(ii) shall constitute the sole remedies available to the Trust with respect to a Defective PACE Charge Lien.

(c) The Lien Owner shall not be liable to the Paying Agent and Custodian or the Servicers for any loss, cost or expense resulting solely from the failure of the Paying Agent and Custodian or any Servicer to promptly notify the Lien Owner upon the discovery by a Responsible Officer

of any such entity of a breach of any representation or warranty contained herein as required by Section 3.01(b) hereof.

(d) It is understood and agreed that the representations and warranties set forth in this Section 3.01 shall survive delivery of the respective PACE Charge Lien Files to the Paying Agent and Custodian and shall inure to the benefit of the Trust.

(e) Lien Owner covenants that it will not withdraw, liquidate, sell, assign, transfer, convey, charge, pledge, or encumber in any manner, or otherwise dispose of, or grant any security interest in or option with respect to, the PACE Charge Lien, or allow to exist any lien on the PACE Charge Lien, nor file, nor permit to be at any time on file in any recording office, any financing statement or other instrument similar in effect covering all or any part of the PACE Charge Lien; provided, however, that the Lien Owner may sell, assign, transfer, convey, charge, pledge or encumber its interest in such PACE Charge Lien. The Administrator shall maintain a registry of each holder of Lien Owner's interest in any PACE Charge Lien, including any assignment, transfer, conveyance, charge, pledge or encumbrance by each Lien Owner, of which it has been notified in writing. In accordance with the terms of that certain "Master Lender Agreement" executed by and between the Administrator and Lien Owner and the "Program Documents," as defined in Chapter 58, Section 1 of Title 19 of the Rules of the City of New York, the Administrator shall be responsible for making payment to the holder of such Lien Owner's interest as identified on the registry. None of the Trust, the Trustee or the City shall be required to remit any payment or communicate with any such holder. The Lien Owner shall indemnify each of the Trust, the Trustee and the City in accordance with Section 3.08 of this Agreement with respect to any matter arising as a result of any such action with respect to Lien Owner's interest in any PACE Charge Lien. Lien Owner at its own expense shall take such action as Lien Owner may reasonably deem necessary or appropriate (i) to defend Lien Owner's security interest in and to the PACE Charge Lien against the claims of any person other than the Lien Owner hereunder and (ii) to ensure that the Lien Owner has at all times pursuant to this Agreement a perfected first priority Lien on and security interest in the PACE Charge Lien.

SECTION 3.02. Representations of the City. The City makes the following representations on which the Trust is deemed to have relied in taking possession or purchasing the PACE Charge Liens. The representations speak as of each Conveyance Date as follows:

(i) The City is validly existing as a municipal corporation under the laws of the State of New York, including the Constitution of the State of New York, with full power and authority to execute and deliver this Agreement and to carry out its terms; the City has full power, authority and legal right to effect a transfer the PACE Charge Liens to the Trust and the City shall have duly authorized such transfer to the Trust by all necessary action; and the execution, delivery and performance of this Agreement has been duly authorized by the City by all necessary action.

(ii) This Agreement constitutes a legal, valid and binding obligation of the City enforceable in accordance with its terms, except to the extent that the enforceability thereof is

subject to (a) the overriding State interest in promoting the health, safety and welfare of the people of the State, (b) bankruptcy, insolvency, moratorium or other similar laws validly enacted and applicable to the enforcement of creditors' rights, and (c) general principles of equity regardless of whether the enforcement of a particular remedy is considered in a proceeding at law or in equity.

(iii) The consummation by the City of the transactions contemplated by this Agreement and the fulfillment of the terms hereof and thereof do not, to the City's knowledge, in any material way conflict with, result in any material breach of any of the material terms and provisions of, nor constitute (with or without notice or lapse of time) a material default under any indenture, agreement or other instrument to which the City is a party or by which it shall be bound; nor violate any law or, to the City's knowledge, any order, rule or regulation applicable to the City of any court or of any federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the City.

(iv) To the City's knowledge, there are no material proceedings or investigations pending against the City, before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the City: (i) asserting the invalidity of any of this Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by any of the Transaction Documents, or (iii) seeking any determination or ruling that would materially and adversely affect the validity or enforceability of any of the Transaction Documents.

(v) The PACE Charge Liens transferred or sold to the Trust arose by operation of state law and the Tax Lien Enabling Act and are a legal, valid, binding and enforceable lien on the related Subject Property and an enforceable obligation of the related Property Owner to pay the Redemptive Value thereof, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(vi) To the best knowledge of the City, after due inquiry, the unpaid PACE Charges included in such PACE Charge Liens represent a first priority lien on the underlying Subject Property, subject only to the priority of all required payments accruing subsequently to the subject PACE Charge Lien for the Subject Property that if not paid could result in the creation of a further "tax lien" (as defined in Section 11-301 of the City Admin. Code) on such Subject Property ("Subsequent Taxes and Assessments"), City property tax liens, City property-related liens and water and sewer liens; and other charges included in such PACE Charge Liens represent a first priority lien on the underlying Subject Property, subject only to the priority of Subsequent Taxes and Assessments, City property tax liens, City property-related liens and water and sewer liens, and to the lien of such unpaid PACE Charges, and, except in each case with respect to a Bankruptcy PACE Charge Lien, such Bankruptcy PACE Charge Lien may have been subordinated to the lien of other creditors under the provisions of the Bankruptcy Code.

SECTION 3.03. Representations of the Administrator

The Administrator represents and warrants that:

(i) The Administrator is a not-for-profit corporation duly authorized and organized, validly existing, and in good standing under the laws of the State of New York and has all the requisite power and authority to execute, deliver and perform its obligation under this Agreement.

(ii) The execution of this Agreement, and compliance with the provisions hereof, do not and will not conflict with or constitute a violation of or default under any statute, indenture, mortgage, deed of trust or other agreement or instrument to which it is bound, or, to the knowledge of the Administrator, any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Consultant or any of its activities or properties.

(iii) This Agreement constitutes a legal, valid and binding obligation of the Administrator enforceable in accordance with its terms.

SECTION 3.04. Representations of the Trust

The Trust represents and warrants as follows:

(i) It is duly organized, validly existing and in good standing under the laws of the State of Delaware; and

(ii) This Agreement, assuming due authorization, execution and delivery by each of the other parties hereto, constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

It is understood and agreed that the representations and warranties set forth in this Section 3.04 shall survive until the termination of this Agreement and shall inure to the benefit of the Lien Owner and the City.

SECTION 3.05. Representations with Respect to the Sale of PACE Charge Liens

In the case the Lien Owner agrees to sell PACE Charge Liens to the Trust and the Trust agrees to purchase such PACE Charge Liens as provided for in Section 2.02 hereof, the Lien Owner, the City, the Administrator and the Trust shall make such representations and warranties as provided in the form of Purchase and Sale Agreement in Exhibit 2.

SECTION 3.06. Liability of the City; Indemnities. The City shall be liable in accordance herewith only to the extent provided below:

The City shall indemnify, defend and hold harmless the Trust, the Trustee (as such and in its individual capacity), and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person through, the negligence, willful misfeasance, reckless disregard or bad faith of the City with respect to the transactions contemplated by this Agreement.

The City shall indemnify, defend and hold harmless the Trustee (as such and in its individual capacity) and its officers, directors, employees and agents from and against all costs, expenses, losses, claims, damages and liabilities arising out of or incurred in connection with the acceptance or performance of the trusts and duties herein and in the Trust Agreement contained, and in the Servicing Agreements contained except, in the case of the Trustee, to the extent that such cost, expense, loss, claim, damage or liability shall: (i) be due to the willful misfeasance, bad faith or negligence of the Trustee; or (ii) arise from the breach by the Trustee of any of its representations or warranties set forth in Section 7.05 of the Trust Agreement.

At the option of the City and absent any conflict of interest, any party seeking indemnification hereunder shall be represented by the Law Department of the City with respect to any litigation brought by or against such indemnified party or its officers, directors or employees with respect to any claims, damages, judgments, liabilities or causes of action to which such persons may be subject and to which they are entitled to be indemnified hereunder. Indemnification under this Section shall survive the resignation or removal of the Trustee, the termination of the Trust or the Trust Agreement and the termination of this Agreement and shall include reasonable fees and expenses of counsel and expenses of litigation. If the City shall have made any indemnity payments pursuant to this Section and the Person to or on behalf of whom such payments are made thereafter shall collect any of such amounts from others, such Person shall promptly repay such amounts to the City, without interest.

For the avoidance of doubt, notwithstanding any provision to the contrary, nothing in this Agreement shall derogate from or be deemed exclusive of rights to indemnification and advancement under the Trust Agreement.

SECTION 3.07. Liability of the Administrator; Indemnities.

The Administrator shall indemnify, defend and hold harmless the Trust, the Trustee (including in its individual capacity) and the City, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person through, the negligence, willful misfeasance, reckless disregard or bad faith of the Administrator with respect to its obligations under this Agreement.

SECTION 3.08. Liability of the Lien Owner; Indemnities.

The Lien Owner shall indemnify, defend and hold harmless the Trust, the Trustee (including in its individual capacity) and the City, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person through, the negligence, willful misfeasance, reckless disregard or bad faith of the Lien Owner with respect to its obligations under this Agreement. The Lien Owner shall indemnify, defend and hold harmless the Trust, the Trustee (including in its individual capacity) and the City, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person as a result of Lien Owner's withdrawal, liquidation, sale, assignment, transfer, conveyance, charge, pledge, or encumbrance in any manner, or other disposal of, or grant of any security interest in or option with respect to Lien Owner's interest in any PACE Charge Lien, or its allowance of any lien on Lien Owner's interest therein.

SECTION 3.09. Limitation on Liability.

The City, the Trust, the Lien Owner and the Administrator and any officer or employee or agent thereof may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Lien Owner and the Administrator shall not be under any obligation to appear in, prosecute or defend any legal action that shall not be related to its obligations under this Agreement, and that in its opinion may involve it in any expense or liability.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Amendment. (a) This Agreement (including any Supplement thereto) may be amended with the consent of all of the parties hereto; provided, however, that no amendment affecting the rights, duties, immunities, benefits or protections of the Trustee (as such or in its individual capacity) shall be made without the consent of the Trustee in its individual capacity.

(b) Prior to the execution of any amendment to this Agreement, the Trustee shall be entitled to receive and rely upon an Opinion of Counsel stating that the execution of such amendment is authorized or permitted by this Agreement. The Trustee may, but shall not be obligated to, enter into any such amendment which affects the Trustee's own rights, duties, immunities, benefits or protections under this Agreement or otherwise.

SECTION 4.02. Protection of Title; Misdirected Payments; Forbearance of Foreclosure Actions.

(i) In the case the Lien Owner sells PACE Charge Liens to the Trust, the Lien Owner shall take all actions as may be required by law fully to preserve, maintain, defend, protect and confirm the interest of the Trust in such PACE Charge Liens and in the proceeds thereof, including, without limitation, the assumption of the defense of legal challenges to the Trust's rights thereto.

(ii) As promptly as practicable, and in any event no later than thirty days after a Conveyance Date, the Lien Owner shall mark its appropriate records so that such records shall indicate that the PACE Charge Liens have been transferred (or sold) to the Trust as of the applicable Conveyance Date. Such records of the Lien Owner may be in the form of an excel spreadsheet, computer tape, microfiche or other electronic or computer device.

(iii) With respect to any PACE Charge Lien transferred or sold to the Trust in accordance with Section 2.01 or Section 2.02 hereof that have not been reconveyed to the Lien Owner, the Lien Owner hereby agrees to forbear to commence a foreclosure action against the Subject Property solely in respect of such PACE Charge Lien so long as any Anchoring Tax Liens on such Subject Property remain outstanding, and hereby further agrees to discontinue any and all outstanding foreclosure actions, if any, against the Subject Property.

SECTION 4.03. Notices. All demands, notices and communications upon or to the Lien Owner, the Trust, the Trustee or the Tax Lien Program Manager under this Agreement shall be in writing, personally delivered, e-mailed, or mailed by certified mail, return receipt requested, and shall be deemed to have been duly given upon receipt (a) in the case of the Lien Owner, to [____], (b) in the case of the City, to (i) The City of New York, Office of Management and Budget, 255 Greenwich Street, New York, New York 10007, Attention: General Counsel, (212) 788-5882, (ii) The City of New York, Department of Finance, Municipal Building, Suite 500, New York, New York 10007, Attention: Annette Hill, Assistant Commissioner, (212) 291-4433, (iii) The City of New York, Law Department, Municipal Finance Division, 100 Church Street, New York, New York 10007, Attention: Division Chief, (212) 356-4030 and (iv) The City of New York, Department of Finance, Bureau of the Treasury, 1 Centre Street, Room 727, New York, New York 10007, Attention: Assistant Commissioner, (c) in the case of the Administrator, to NYCEEC at [____], (d) in the case of the Trust or the Trustee, at the Corporate Trust Office (as defined in the Trust Agreement) and (e) in the case of the Tax Lien Program Manager, to RESF Advisors, Inc., 89 Headquarters Plaza North, Suite 327, Morristown, New Jersey, 07960-6834, Attention: Thomas Gallagher, (973) 867-7062 or, as to each of the foregoing, at such other address as shall be designated by written notice to the other parties. The Administrator hereby agrees promptly to deliver to the Lien Owner any demands, notices and communications received by it pursuant to the Servicing Agreements in connection with any PACE Charge Lien conveyed by the Lien Owner to the Trust.

SECTION 4.04. Assignment by the Lien Owner. (a) Notwithstanding anything to the contrary contained herein and other than as set forth in Section 4.04(b), this Agreement may not be assigned by the Lien Owner without the prior written consent of the City and the Trustee.

(b) The Lien Owner may assign this Agreement to a wholly-owned affiliate of the Lien Owner without the prior written consent of the City and the Trustee. Any Person (i) into which the Lien Owner may be merged or consolidated, (ii) which shall be the survivor of any merger or consolidation to which the Lien Owner shall be a party or (iii) which may succeed to the properties and assets of the Lien Owner substantially as a whole, shall be the successor to the Lien Owner without the execution or filing of any document or any further act by any of the parties to this Agreement. Provided, however, that the Lien Owner hereby covenants that it will not consummate any of the foregoing transactions except upon execution by the surviving Person, if other than the Lien Owner, or the wholly-owned affiliate of the Lien Owner, as applicable, of an agreement of assumption to perform every obligation of such party under this Agreement. The Lien Owner shall provide written notice to the City, the Trustee and the Administrator of any such assignment of this Agreement no later than five business days following such assignment.

SECTION 4.05. Limitations on Rights of Others. The provisions of this Agreement are solely for the benefit of the Lien Owner, the City, the Administrator, the Trust and the Trustee and nothing in this Agreement, whether express or implied, shall be construed to give to any other Person any equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

SECTION 4.06. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 4.07. Separate Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 4.08. Headings. The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

SECTION 4.09. Governing Law. This Agreement shall be construed in accordance with the laws of the State of New York, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

The parties hereto agree that any and all claims asserted by or against the Lien Owner arising under this Agreement or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Court") or in the courts of the State of

New York (“New York State Courts”) located in the City and County of New York. To affect this Agreement and intent, the Trust agrees:

(a) If the Lien Owner initiates any action against the Trust in Federal Court or in New York State Court, service of process may be made on the Trust either in person, wherever such Trust may be found, or by registered mail addressed to the Trust at its address as set forth in this Agreement, or to such other address as the Trust may provide to the Lien Owner in writing;

(b) With respect to any action between the Lien Owner and the Trust in New York State Court, the Trust hereby expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens; (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County;

(c) With respect to any action between the Lien Owner and the Trust in Federal Court located in New York City, the Trust expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York; and

(d) If the Trust commences any action against the Lien Owner in a court located other than in the City and State of New York, upon request of the Lien Owner, the Trust shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, the Trust shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

If any provision(s) of this Section is held unenforceable for any reason, each and all other provision(s) shall nevertheless remain in full force and effect.

SECTION 4.10. Requests for PACE Charge Lien Records. The Administrator, on behalf of the Lien Owner, may request copies of records held by the Servicers and the Paying Agent and Custodian with respect to a Lien Owner’s PACE Charge Liens, which requests shall be subject to the terms of the Paying Agent and Custodian Agreement and the Servicing Agreements. Such requests shall be directed to the applicable Servicer(s) and/or the Paying Agent and Custodian with a copy to the Tax Lien Program Manager as provided for in Section 4.03 hereof.

SECTION 4.11. Nonpetition Covenants. Notwithstanding any prior termination of this Agreement, the Lien Owner shall not, prior to the date which is one year and one day after the termination of this Agreement with respect to the Trust, acquiesce, petition or otherwise invoke or cause the Trust to invoke the process of any court or government authority for the purpose of commencing or sustaining a case against the Trust under any Federal or state bankruptcy, insolvency or similar law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Trust.

SECTION 4.12. Information Provided to Lien Owner. On a quarterly basis, the Trust shall provide the Lien Owner a detailed itemization of taxes, interest, surcharges, and fees in

respect of, and amounts collected on, any PACE Charge Lien that has been transferred or sold to the Trust. Such fees shall be bona fide, reasonable and, in the case of attorney fees, customary. The Trust may perform this obligation by requiring its designee (in accordance with Section 2.01(b) hereof) to undertake such duties.

SECTION 4.13. Limitation of Liability. Notwithstanding anything contained herein to the contrary, this Agreement has been executed and delivered on behalf of the Trust by Wilmington Trust Company not in its individual capacity but solely in its capacity as Trustee under the Trust Agreement and in no event shall Wilmington Trust Company in its individual capacity, or as Trustee, have any liability for the representations, warranties, covenants, agreements or other obligations of the Trust hereunder or in any of the certificates, notices, agreements or other documents delivered pursuant hereto, as to all of which recourse shall be had solely to the assets of the Trust. For all purposes of this Agreement, Wilmington Trust Company shall be entitled to the benefits of the Trust Agreement.

SECTION 4.14. Confidentiality. The parties hereto shall employ proper procedures and standards designed to maintain the confidential nature of the terms of this Agreement and any information received pursuant to this Agreement, except to the extent (a) the disclosure of which is reasonably believed by such party to be required in connection with regulatory requirements or other legal requirements relating to its affairs; (b) the disclosure of which is expressly authorized or directed pursuant to this Agreement; (c) disclosed to any one or more of such party's employees, officers, directors, agents, attorneys or accountants who would have access to the contents of this Agreement or any information received pursuant to this Agreement in the normal course of the performance of such person's duties for such party, to the extent such party has procedures in effect to inform such person of the confidential nature thereof; and (d) that is reasonably believed by such party to be necessary for the enforcement of such party's rights under this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

NYCTL 1998-2 TRUST

By: WILMINGTON TRUST COMPANY, not in its individual capacity, but solely as Trustee on behalf of the Trust

By: _____
Name:
Title:

THE CITY OF NEW YORK

By: _____
Name:
Title:

Approved as to Form

Acting Corporation Counsel

LIEN OWNER

By: _____
Name:
Title:

NEW YORK CITY ENERGY EFFICIENCY
CORPORATION

By: _____

Name:

Title

SAMPLE

EXHIBIT 1

**FORM OF SUPPLEMENT REGARDING
TRANSFER OF PACE CHARGE LIENS**

Transfer 202_ - __

[The undersigned [Lien Owner] hereby transfers in name only to the NYCTL 1998-2 Trust (the “Trust”) the PACE Charge Liens listed on the Lien Schedule attached hereto, pursuant to Section 2.01 of that certain Master Transfer and Remittance Agreement, dated as of [____], by and among the Trust, the City of New York, the New York Energy Efficiency Corporation and [Lien Owner].]

Date of Supplement:

Date of Transfer:

Number of PACE Charge Liens Transferred:

Aggregate Redemptive Value of Transferred
PACE Charge Liens as of Date of Transfer:

Owner of Transferred PACE Charge Liens:

Acknowledgement of and Agreement to the Transfer:

NYCTL 1998-2 Trust
By: WILMINGTON TRUST COMPANY,
not in its individual capacity, but solely
as Trustee on behalf of the NYCTL 1998-2 Trust

[Lien Owner]

Name:
Title:

Name:
Title:

City of New York

New York City Energy Efficiency
Corporation

Name:
Title:

Name:
Title:

SAMPLE

FORM OF SCHEDULE TO EXHIBIT 1

SCHEDULE OF TRANSFERRED PACE CHARGE LIENS

Transfer 202_ - __

<u>Property Block/Lot</u>	<u>Address</u>	<u>Redemptive Value of PACE Charge Lien as of the Conveyance Date</u>
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SAMPLE

EXHIBIT 2

[Form of PACE Charge Lien Purchase and Sale Agreement]

PURCHASE AND SALE AGREEMENT dated [____], 202_, between NYCTL 1998-2 TRUST, a Delaware statutory trust (the “Trust”), and [LIEN OWNER] (the “Lien Owner” or the “Seller”).

WHEREAS, the Trust, the City of New York (the “City”), the New York City Energy Efficiency Corporation (the “PACE Program Administrator”) and the Seller have entered into a Master Transfer and Remittance Agreement, dated [____], 202_ (the “Master Transfer Agreement”) and, together with this Purchase and Sale Agreement, the “Agreement”); and

WHEREAS, pursuant to Section 2.02 of the Master Transfer Agreement, the Seller agreed to sell the PACE Charge Liens identified on Schedule A hereto (the “Sold PACE Charge Liens”) to the Trust on the date of this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

Section 1. In consideration of the Trust’s promise to deliver on the Conveyance Date to or upon the order of the Seller cash, in immediately available funds, the Seller does hereby sell, transfer, assign, set over and otherwise convey to the Trust, without recourse (subject to the obligations herein), in accordance with applicable law, all right, title and interest of the Seller on the Conveyance Date for the Sold PACE Charge Liens, whether now owned or hereinafter acquired, in and to:

- (i) the Sold PACE Charge Liens;
- (ii) all payments due or to become due representing Collections in respect of the Sold PACE Charge Liens, to the extent such Collections have not previously been transferred by the City to the Seller to reduce the PACE Charge Lien Principal Balance of the Sold PACE Charge Liens prior to the Conveyance Date; and
- (iii) the proceeds of any and all of the foregoing.

The Trust hereby promises to furnish to the Seller on the Conveyance Date cash, in immediately available funds, against delivery of the related PACE Charge Lien Certificates for the Sold PACE Charge Liens on the Conveyance Date by the Seller to the Trust or its designee.

Section 2. The parties hereto acknowledge that, in accordance with Section 2.02(b) of the Master Transfer Agreement, each Sold PACE Charge Lien is being sold to the Trust in conjunction with the simultaneous sale of an Anchoring Tax Lien to the Trust or such other securitization trust as authorized by the Commissioner of Finance, pursuant to a separate purchase

and sale agreement. If it is determined that (i) there was not a simultaneous sale of an Anchoring Tax Lien, and/or (ii) that a tax lien and/or water and sewer lien on the related Subject Property has been sold to a securitization trust without authorization by the Commissioner of Finance or has otherwise been sold in error to the Trust or a securitization trust, the Seller shall repurchase such Sold PACE Charge Lien at a price equal to the purchase price paid by the Trust to the Seller for such Sold PACE Charge Lien, and the Trust shall convey any Collections received by the Trust in respect of such Sold PACE Charge Lien to the Seller.

Section 3. Capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Master Transfer Agreement. The provisions of the Master Transfer Agreement are hereby incorporated by reference into this Agreement as if they were fully set forth herein.

Section 4. The provisions of Section 3.01, Section 3.08, Section 3.09 and Article IV of the Master Transfer Agreement shall apply to this Agreement in the same manner as they apply to the Master Transfer Agreement.

Section 5. Pursuant to Section 3.01(b) of the Master Transfer Agreement, upon discovery by the Lien Owner, the Trust or its designee, a Responsible Officer of the Paying Agent and Custodian or any Servicer of a breach of any of the representations and warranties set forth in Section 3.01(a) of the Master Transfer Agreement (without regard to any knowledge qualifier therein) that materially and adversely affects the ability to collect the amounts due with respect to any PACE Charge Lien or the value of such PACE Charge Lien, the party discovering such breach or its designee shall give prompt written notice to the other parties. As to any Defective PACE Charge Lien, no later than [] days following the day on which such PACE Charge Lien becomes a Defective PACE Charge Lien, the Trust and/or its designee shall reconvey such Defective PACE Charge Lien to the Lien Owner, and the Trust and/or its designee shall coordinate as appropriate with the Lien Owner to facilitate the reconveyance of such PACE Charge Lien hereunder and under the Servicing Agreement. The Lien Owner shall repurchase such PACE Charge Lien at a repurchase price equal to the purchase price paid by the Trust to the Lien Owner for such PACE Charge Lien pursuant to this Agreement, less any Collections received by the Trust in respect of such Defective PACE Charge Lien. The obligations of the Lien Owner under this Section 5 and Section 3.01(b)(ii) of the Master Transfer Agreement shall constitute the sole remedies available to the Trust with respect to a Defective PACE Charge Lien.

Section 6. This Agreement shall become effective only when executed and delivered by the parties hereto and accepted and agreed to by the City and the PACE Program Administrator.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

NYCTL 1998-2 TRUST

By: WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as
Trustee on behalf of the Trust

By: _____
Name:
Title:

[LIEN OWNER], Seller

By: _____
Name:
Title:

ACCEPTED AND AGREED TO BY

NEW YORK CITY ENERGY EFFICIENCY
CORPORATION, as PACE Program
Administrator

By: _____
Name:
Title:

THE CITY OF NEW YORK

By: _____
Name:
Title:

Approved as to Form

Acting Corporation Counsel

SAMPLE

FORM OF SCHEDULE A TO EXHIBIT 2

SCHEDULE OF SOLD PACE CHARGE LIENS

SAMPLE

FORM OF POWER OF ATTORNEY

Pursuant to Section 2.01(b)(i) of the Master Transfer and Remittance Agreement (the “Master Transfer Agreement”), a copy of which is attached, among the NYCTL 1998-2 Trust (the “Trust”), The City of New York, the New York City Energy Efficiency Corporation and [_____] (the “Lien Owner”), dated as of [_____] , 202_ , concerning the transfer of certain PACE charge liens by the Lien Owner to the Trust, in order for the Trust and/or the Trust’s designee to fulfill its duties under Section 2.01(b) of the Master Transfer Agreement, hereby constitute and appoint the Trust and/or its designee their true and lawful attorney-in-fact and agent, to execute, acknowledge, verify, and deliver in their name, place and stead, any and all documents or instruments necessary to maintain or enforce any such lien, including, without limitation, the following documents which may be required in connection with the prosecution of a foreclosure action:

(i) affidavit of verification of debt, (ii) affidavit in support of default judgment, (iii) affidavit in support of motion for summary judgment, (iv) affidavit regarding testimony before a referee, (v) computation of amount due oath, (vi) combined verification, oath and designation regarding the appointment of an administrator with the surrogate’s court, and (vii) such other oaths, affidavits and/or documents as may be necessary for the prosecution of the foreclosure action.

This Power of Attorney is effective for three (3) years from the date hereof or the earlier of (i) revocation by the Trust and/or its designee and (ii) the Attorney shall no longer be retained on behalf of the Lien Owner.

The authority granted to the attorney-in-fact by the Power of Attorney is not transferable to any other party or entity.

This Power of Attorney shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflicts of law principles.

IN WITNESS WHEREOF, the Lien Owner has caused this Power of Attorney to be executed by an authorized signatory as of the date below

[_____], as Lien Owner

By: _____

Date: _____

Name:

Title:

STATE OF NEW YORK)

COUNTY OF NEW YORK) SS.:

On this _____ day of _____, 202_, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me by satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity with [_____], and by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public