(b) Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by the Trustee of the documents required by Section 2.04 hereof) of:

(1) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on the redemption date specified in such instructions;

(2) Irrevocable instructions to the Trustee, satisfactory to it, to give notice provided for in Section 4.05 hereof to the owners of the Bonds being refunded; and

(3) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price or principal payment amount of the Bonds to be refunded or paid, respectively, together with accrued interest on such Bonds to the redemption or maturity date and all necessary and appropriate fees and expenses of the Trustee, which moneys shall be held by the Trustee or any one or more of the Trustees in a separate account irrevocably in trust for and assigned to the respective owners of the Bonds to be refunded or paid, or (ii) Governmental Obligations in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of Article IX which Governmental Obligations shall be held in trust and used only as provided in said Article.

SECTION 2.06 Form of Bonds.

The Bonds and the Trustee's certificate of authentication to be endorsed on the Bonds are all to be in substantially the following form, with necessary and appropriate variations, omissions and insertions as are permitted or required by this Indenture:

(FORM OF SERIES 2013 BOND)

(Front of Series 2013 Bond)

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BOND, SERIES 2013
(GAUTIER, MISSISSIPPI COMBINED
UTILITY SYSTEM REVENUE PROJECT)

NO. R-____ **$_____**

Interest Rate	Maturity Date	Original Date	Date of Authentication	CUSIP

Registered Owner:

Principal Amount:

Mississippi Development Bank, a body corporate and politic, exercising essential public functions ("Bank") and organized under the laws of the State of Mississippi, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, upon surrender hereof, the principal amount stated above in lawful money of the United States of America but solely from the sources referred to herein and not otherwise, on the Maturity Date specified above, unless this Series 2013 Bond, as hereinafter defined, shall be redeemable and shall previously have been called for redemption and payment of the redemption price made or provided for, and to pay interest on such principal amount in like money, but solely from said sources, from the interest payment date to which on the Date of Authentication hereof interest has been paid (unless this Series 2013 Bond is authenticated on or before July 1, 2014, then from its date of delivery thereof, or unless this Series 2013 Bond is authenticated after the 15th day of the month preceding the next succeeding interest payment date, then from such interest payment date or unless payment of the interest on this Series 2013 Bond is in default, then from such date when interest has been paid in full) at the Interest Rate per annum stated above, payable on each January 1 and July 1 (each an "Interest Payment Date"), commencing July 1, 2014, until payment of such principal amount shall have been made upon redemption or at maturity. The principal of this Series 2013 Bond is payable at the principal corporate trust office of _____ Bank, as Trustee, in the City of _____, Mississippi, or at the principal corporate trust office of any successor trustee appointed under the Indenture hereinafter mentioned; and payments of interest hereon will be made to the Registered Owner hereof (whose name appears on the registration records kept by the Trustee at the close of business on the fifteenth day of the month preceding such Interest Payment Date) by check mailed on the Interest Payment Date by the Trustee to such Registered Owner at his address as it appears on the registration records of the Bank kept by the Trustee or at such other address as is furnished to the Trustee in writing by such Registered Owner or at the written election of the Registered Owner of $1,000,000 or more in aggregate principal amount of Series 2013 Bonds delivered to the Trustee at least one Business Day prior to the Record Date (as defined in the Indenture) for which such election will be effective by wire transfer to the Registered Owner or by deposit into the account of the Registered Owner if such account is maintained by the Trustee.

This Series 2013 Bond and the other Series 2013 Bonds, and the interest payable hereon and thereon, are payable solely by the Bank from the Revenues (as defined herein) and other funds of the Bank pledged therefor under the Indenture, which Revenues and funds include the payments on the Note (as defined in the Indenture) purchased by the Bank and assigned to the Trustee. The Bank has no taxing power. This Series 2013 Bond and the other Series 2013 Bonds, both as to principal and interest, do not constitute a debt, liability or loan of the credit of the State of Mississippi ("State") or any political subdivision thereof under the constitution or statutes of the State or a pledge of the faith and credit or the taxing power of the State or any political subdivision thereof. The issuance of the Series 2013 Bonds under the provisions of the Act, as hereinafter defined, does not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation for the payment thereof or to make any appropriation for their payment and such Series 2013 Bonds do not now and shall never constitute a debt of the State or any political subdivision thereof within the meaning of the constitution or the statutes of the State and do not now and shall never constitute a charge against the credit of the State or any political subdivision thereof or a charge against the taxing power of the State or any political subdivision thereof. Neither the State nor any agent, attorney, member or employee of the State or of the Bank shall in any event be liable for the payment of the

principal of, premium, if any, or interest on the Series 2013 Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bank. Provided, however, that pursuant to Section 31-25-105 of the Act, the State Legislature may, upon proper certificate from the Bank to the Governor of the State, restore any deficiency which may exist in the 2013 Debt Service Reserve Fund created in the Indenture. However, the State Legislature is not and cannot be obligated to appropriate any such funds. No breach by the Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any agent, employee, attorney or member of the State or of the Bank, or any charge upon their general credit or upon the taxing power of the State. In the Act, the State has pledged and agreed with the holders of any Series 2013 Bonds that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the said Bondholders or in any way impair the rights and remedies of such holders until such Series 2013 Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Series 2013 Bonds, are fully met and discharged.

This Series 2013 Bond is one of an authorized issue of bonds of the Bank known as Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project) (the "Series 2013 Bonds") issued under and secured by an Indenture of Trust, dated as of _____, 2013 ("Indenture"), duly executed and delivered by the Bank to _____ Bank, _____, Mississippi, as Trustee ("Trustee"). The Series 2013 Bonds are limited in aggregate principal amount Three Million Five Hundred Thousand Dollars ($3,500,000). The Series 2013 Bonds are issued pursuant to Mississippi Code of 1972, Sections 31-25-1 et seq., as amended (the "Act") to provide funds for a loan to the City secured by the Note and the Loan Agreement (as hereinafter defined), to (i) provide funds to improve, repair and extend the combined utility system of the City, (ii) funding a 2013 Debt Service Reserve fund for the Series 2013 Bonds, and (iii) paying the costs of issuance for the Series 2013 Bonds and the Note, as hereinafter defined, (collectively, the "Project"). The City is the City of Gautier, Mississippi and the Note is the $3,500,000 Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project) issued pursuant to a loan agreement by and between the City and the Bank, dated on _____, 2013 (the "Loan Agreement"). The Note will be paid from (i) Net Revenues of the System, subject to the parity lien of (a) the City's debt service on certain State Revolving Fund Loans (the "SRF Loans") existing on the date of entering into the Loan and the issuance of the Note, from the State of Mississippi to the City, and (b) the City's $9,185,000 Combined Utility System Revenue Refunding Bonds, dated May 31, 2012 (the "2012 Refunding Bonds"), issued pursuant to the bond resolution dated April 24, 2012, the principal of and interest on such 2012 Refunding Bonds being payable solely from the Revenues derived from the operation of the System, subject to the prior payment of the reasonable and necessary expense of operating and maintaining the System and the prior payment of the SRF Loans. The net proceeds received by the City under the Loan Agreement for the Note will be used by the City to provide funds for the Project.

The Series 2013 Bonds are all equally and ratably secured by and entitled to the protection of the Indenture on a parity one with another and with any Refunding Bonds which may be issued pursuant to Section 2.05 of the Indenture (collectively, the "Bonds"). To secure payment of principal of and interest on all the Series 2013 Bonds and performance of all other covenants of the Bank under the Indenture, the Bank, pursuant to the Indenture, has assigned and

pledged to the Trustee, and has granted to the Trustee a security interest in, the Trust Estate (as defined in the Indenture), including all rights, title and interest of the Bank in and to all moneys and securities from time to time received and held by the Trustee under the Indenture and all income from the deposit, investment and reinvestment thereof except any moneys and securities held in the rebate fund established under the Indenture (all such money and funds and accounts referred to in the granting clauses of the Indenture are defined in the Indenture and are herein referred to as the "Revenues"). Reference is hereby made to the Indenture for a description of the rights, duties and obligations of the Bank, the Trustee and the owners of the Series 2013 Bonds, the terms and conditions upon which the Series 2013 Bonds are issued and the terms and conditions upon which the Series 2013 Bonds will be paid at or prior to their stated maturity, or will be deemed to be paid upon the making of provision for payment therefor. Copies of the Indenture are on file at the principal corporate trust office of the Trustee.

This Series 2013 Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations prescribed in the Indenture and upon surrender and cancellation of this Series 2013 Bond. This Series 2013 Bond may be transferred without cost to the Registered Owner except for any tax or governmental charge required to be paid with respect to the transfer. Upon such transfer a new Series 2013 Bond or Series 2013 Bonds of the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Bank and the Trustee may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and the interest due hereon and for all other purposes and neither the Bank nor the Trustee shall be affected by any notice to the contrary.

The Series 2013 Bonds are issuable as fully registered bonds in denominations of $5,000 and any integral multiple thereof. Subject to the limitations and upon payment of any taxes or governmental charges, Series 2013 Bonds may be exchanged for a like aggregate principal amount of Series 2013 Bonds of the same maturity of authorized denominations.

If the City directs the Bank to redeem any Series 2013 Bonds pursuant to Section 9.2 of the Loan Agreement, the Bank has agreed under the Indenture to accept redemption and redeem such Series 2013 Bonds in the following instances:

(1) The Series 2013 Bonds (or any portions thereof in integral multiples of $5,000 each) which mature on or after July 1, 20__, are subject to optional redemption prior to their stated dates of maturity in whole or in part, in principal amounts and maturities selected by the Bank on any date on or after July 1, 20__, at par plus accrued interest to the date of redemption.

(2) The Series 2013 Bonds are also subject to extraordinary mandatory redemption prior to their stated dates of maturity in whole or in part, in inverse order of maturity, at any time, at a Redemption Price equal to the principal amount thereof plus accrued interest to the redemption date, from and to the extent that moneys are transferred from the Loan Account to the Redemption Account created in the Indenture

or funds are transferred from the Project Fund to the Redemption Account following the completion of the Construction, all as described and defined in the Loan Agreement, or otherwise deposited in the Redemption Account from proceeds received upon the sale or prepayment prior to maturity of the Note upon a default under the Note and acceleration thereof.

Each Series 2013 Bond of such maturity so delivered or canceled shall be credited by the Trustee at one hundred percent (100%) of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund redemption date, and any excess of such amounts shall be credited to future redemption obligations, and the principal amount of the Series 2013 Bonds of such maturity to be redeemed by operation of the mandatory sinking fund requirements shall be accordingly reduced; provided, however, that the Trustee shall only credit such Series 2013 Bonds to the extent such are received on or before forty-five (45) days preceding the applicable mandatory redemption date as set forth above.

In the event less than all of the Series 2013 Bonds are to be redeemed, the principal amount and maturity to be redeemed shall be selected by the Bank, and the Trustee, at its sole discretion, shall select the Series 2013 Bonds to be redeemed by lot within a selected maturity, provided that Series 2013 Bonds shall be redeemed only in whole multiples of $5,000.

In the event any of the Series 2013 Bonds are called for redemption as aforesaid, notice thereof identifying the Series 2013 Bonds to be redeemed will be given by mailing a copy of the redemption notice by registered or certified mail not less than sixty (60) days nor more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond to be redeemed at the address shown on the registration records kept by the Trustee. Failure to give such notice by mailing, or any defect therein with respect to any Series 2013 Bond, shall not affect the validity of any proceedings for the redemption of other Series 2013 Bonds. All Series 2013 Bonds so called for redemption will cease to bear interest on the specified redemption date, shall no longer be protected by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture, provided funds for their redemption are on deposit at the place of payment prior to the redemption date.

The Registered Owner of this Series 2013 Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2013 Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made to the extent permitted by, and in accordance with, the Indenture.

The Bank hereby certifies, recites and declares that all acts, conditions and things required by the constitution and statutes of the State, the Indenture, and resolutions of the Bank to exist, happen and be performed prior to the issuance of this Series 2013 Bond do exist, have happened and have been performed in due time, form and manner as required by the Act; that the issuance of the Series 2013 Bonds, together with all other obligations of the Bank, does not

exceed or violate any constitutional or statutory limitation applicable to the Bank; and that the Revenues pledged to the payment of the principal of and interest on the Series 2013 Bonds, as the same become due, are designed to be sufficient in amount for that purpose.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

exceed or violate any constitutional or statutory limitation applicable to the Bank; and that the Revenues pledged to the payment of the principal of and interest on the Series 2013 Bonds, as the same become due, are designed to be sufficient in amount for that purpose.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

[Form of Certificate of Authentication]

CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds issued and delivered pursuant to the provisions of the within mentioned Indenture.

Date of Authentication: _____

_____ **BANK,**
as Trustee

By: _____
Authorized Signatory

[Form of Validation Certificate]

VALIDATION CERTIFICATE

STATE OF MISSISSIPPI

COUNTY OF HINDS

The undersigned Secretary of the Mississippi Development Bank does hereby certify that the within Series 2013 Bond has been validated and confirmed by Decree of the Chancery Court of the First Judicial District of Hinds County, Mississippi, rendered on the ____ day of _____, 2013.

_____
Secretary

(SEAL)

[Form of Assignment]

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

_____

(Please Insert Social Security or other Identifying Number of Assignee)

_____

(Please print or typewrite name and address of Assignee)

the within Series 2013 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, Attorney, to transfer the within Series 2013 Bond on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Series 2013 Bond in every particular manner, without alteration or any change whatever.

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by a member of a nationally recognized signature guaranty program.

BY:_____

[END OF SERIES 2013 BOND FORM]

SECTION 2.07 Book-Entry Only System.

The Series 2013 Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Series 2013 Bond shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.09 hereof, all of the Outstanding Series 2013 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

With respect to Series 2013 Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the Bank and the Trustee shall have no responsibility or obligation to any participant for whom DTC is a security depository nominee ("DTC participants") or to any person on behalf of whom such a DTC participant holds an interest in the Series 2013 Bonds. Without limiting the immediately preceding sentence, the Bank and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC participant with respect to any ownership interest in the Series 2013 Bonds, (ii) the delivery to any DTC participant or any other person, other than a Bondholder, as shown in the Bond Register, of any notice with respect to the Series 2013 Bonds, including any notice of redemption, or (iii) the payment to any DTC participant or any other person, other than a Bondholder, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on, the Series 2013 Bonds. Notwithstanding any other provision of this Indenture to the contrary, the Bank, the Trustee and each paying agent, if any, shall be entitled to treat and consider the person in whose name each Series 2013 Bond is registered in the Bond Register as the absolute owner of such Series 2013 Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Series 2013 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2013 Bond, for the purpose of registering transfers with respect to such Series 2013 Bond, and for all other purposes whatsoever. The Trustee and each paying agent, if any, shall pay all principal of, premium, if any, and interest on the Series 2013 Bonds only to or upon the order of the respective Bondholders, as shown in the Bond Register as provided in this Indenture, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Bank's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2013 Bonds to the extent of the sum or sums so paid. No person other than a Bondholder, as shown in the Bond Register, shall receive a Series 2013 Bond certificate evidencing the obligation of the Bank to make payments of principal, premium, if any, and interest pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the Registered Owner at the close of business on the Record Date, the words -- "Cede & Co." in this Indenture shall refer to such new nominees of DTC; and upon receipt of such a notice the Trustee shall promptly deliver a copy of the same to each paying agent, if any.

SECTION 2.08 Successor Securities Depository; Transfers Outside Book-Entry Only System.

In the event that the Bank and the Trustee determine that DTC is incapable of discharging its responsibilities described herein and in the DTC Blanket Issuer Letter of Representations or

that it is in the best interest of the Beneficial Owners of the Series 2013 Bonds that they be able to obtain certificated Series 2013 Bonds, the Bank and the Trustee shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC participants of the appointment of such successor securities depository and transfer one or more separate Series 2013 Bond certificates to such successor securities depository or (ii) notify DTC and DTC participants of the availability through DTC of Series 2013 Bond certificates and transfer one or more separate Series 2013 Bond certificates to DTC participants having Series 2013 Bonds credited to their DTC accounts. In such event, the Series 2013 Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Series 2013 Bonds shall designate, in accordance with the provisions of this Indenture.

SECTION 2.09 Payments and Notices to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any of the Series 2013 Bonds is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2013 Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in DTC's Blanket Issuer Letter of Representations. The Trustee shall request in each notice sent to Cede & Co. pursuant to the terms of this Indenture that Cede & Co. forward or cause to be forwarded such notice to the DTC participants.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 3.01 Medium, Form and Place of Payment.

The Bonds 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. Interest shall be payable by check mailed on the Interest Payment Date to the registered owners as of the Record Date. The Bank may provide for the payment of interest on Bonds to holders of $1,000,000 or more by wire transfer or electronic funds transfer or by such other method as is acceptable to the Trustee and the Bondholder. Principal shall be payable at the principal corporate trust office of the Trustee upon presentation of the Bonds to be paid.

SECTION 3.02 Legends.

The Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, as determined by the Bank prior to the delivery thereof.

SECTION 3.03 Execution.

The Bonds shall be executed on behalf of the Bank with the manual or facsimile signature of its President or Vice President or Executive Director and shall have impressed or imprinted thereon, by facsimile or otherwise, the official seal of the Bank, which seal shall be attested by the manual or facsimile signature of the Executive Director or Secretary of the Bank. In case any officer of the Bank whose signature or whose facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Any Bond may be executed and attested on behalf of the Bank by such officer as at the time of the execution of such Bonds shall be duly authorized or hold the proper office of the Bank although at the date borne by the Bonds or at the date of delivery of the Bonds such officer may not have been so authorized or have held such office.

SECTION 3.04 Authentication.

No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until a certificate of authentication on such Bond substantially in the following form shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture:

CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds issued and delivered pursuant to the provisions of the within mentioned Indenture.

Date of Authentication: _____

_____ **BANK,**
as Trustee

By:_____
Authorized Signatory

The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized representative or signatory of the Trustee, but it shall not be necessary that the same representative or signatory sign the certificate of authentication on all of the Bonds. The signature of the authorized representative or signatory of the Trustee shall be manual.

SECTION 3.05 Mutilated, Lost, Stolen or Destroyed Bonds.

If any Bond is mutilated, lost, stolen or destroyed, the Bank shall execute and the Trustee shall authenticate a new Bond or Bonds of the same maturity and denomination, as that mutilated, lost, stolen or destroyed; provided that in the case of any mutilated Bond, such Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory

to the Trustee, together with indemnity satisfactory to it. In the event any such Bond shall have matured or been called for redemption, instead of issuing and authenticating a duplicate Bond, the Trustee may pay the same without surrender thereof, provided, however, that in the case of a lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee together with indemnity satisfactory to it before any payment may be made. The Trustee may charge the owner of such Bond its reasonable fees and expenses in connection with replacing any Bonds mutilated, lost, stolen or destroyed. Any Bond issued pursuant to this Section 3.05 shall be deemed part of the original series of the Bonds in respect of which it was issued and a contractual obligation of the Bank replacing the obligation evidenced by such mutilated, lost, stolen or destroyed Bond.

SECTION 3.06 Registration, Transfer and Exchange of Bonds; Persons Treated as Owners.

The Bank shall cause records for the registration and for the transfer of the Bonds to be kept by the Trustee at its principal corporate trust office, and the Trustee is hereby constituted and appointed the bond registrar of the Bank. At reasonable times and under reasonable regulations established by the Trustee, said records may be inspected and prepared by the Bank or by owners (or a designated representative thereof) of five percent (5%) or more in aggregate principal amount of the Bonds then Outstanding.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the registered owner or his attorney duly authorized in writing, the Bank shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity for a like aggregate principal amount. The Bonds may be transferred or exchanged without cost to the Bondholders except for any tax or governmental charge required to be paid with respect to the transfer or exchange. The execution by the Bank of any Bond of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

The Trustee shall not be required (a) to register, transfer or exchange any Bond during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds, or (b) to register, transfer or exchange any Bonds selected, called or being called for redemption prior to their stated maturity in whole or in part after mailing notice of such call has been made.

The person in whose name a registered Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal and interest thereon, shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

All Bonds delivered upon any transfer or exchange shall be valid obligations of the Bank, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.