GEORGE K. BAUM & COMPANY

OFFERING MEMORANDUM

$50,000,000

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
TAX-EXEMPT COMMERCIAL PAPER REVENUE NOTES,
MASSDEVELOPMENT CP PROGRAM 4 REFUNDING ISSUE

PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES
WHEN DUE IS SECURED BY A LETTER OF CREDIT ISSUED BY:

RBS CITIZENS, NATIONAL ASSOCIATION,
AS LETTER OF CREDIT PROVIDER

THE LETTER OF CREDIT WILL BE CONFIRMED BY
AN IRREVOCABLE STANDBY LETTER OF CREDIT CONFIRMATION ISSUED BY:

FEDERAL HOME LOAN BANK OF BOSTON,
AS CONFIRMING BANK

August 14, 2009

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SUMMARY OF TERMS

ISSUER: Massachusetts Development Finance Agency (the “Agency”).

SECURITIES: The Tax-Exempt Commercial Paper Revenue Notes, MassDevelopment CP Program 4 Refunding Issue (the “Notes”), issued by the Agency from time to time pursuant to the terms of the Trust Indenture, dated as of August 1, 2009 (as amended and supplemented, the “Indenture”), between the Agency and Deutsche Bank Trust Company Americas, as trustee (the “Trustee”), and payable from amounts received by Deutsche Bank Trust Company Americas, as issuing and paying agent (the “Issuing and Paying Agent”), from participating nonprofit corporations and governmental entities (the “Borrowers”) under loan agreements between the Agency and such Borrowers (the “Loan Agreements”), which are general obligations of each of the Borrowers, respectively. The Notes are exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended.

The Notes do not constitute a general obligation of the Agency or a debt or pledge of the faith and credit of The Commonwealth of Massachusetts or any political subdivision thereof. The principal and interest on the Notes are payable solely from the revenues and funds pledged for their payment under the Indenture and from draws under the Letter of Credit and the Confirmation. The Agency has no taxing power under the Act.

SECURITY/LIQUIDITY: The payment of the principal of and interest on the Notes on their respective stated maturity dates is secured by an irrevocable direct-pay letter of credit, dated August 19, 2009 (as amended, supplemented, substituted or replaced, the “Letter of Credit”) issued by RBS Citizens, National Association (the “Bank”). Unless extended in accordance with the terms thereof, the stated expiration date of the Letter of Credit as of the date of this Offering Memorandum is December 20, 2014.

The Letter of Credit will be confirmed by an irrevocable standby letter of credit confirmation (the “Confirmation” and together with the Letter of Credit, the “Credit Enhancement”). The Confirmation will be issued by the Federal Home Loan Bank of Boston (the “Confirming Bank”) in an amount equal to the principal of and up to 270 days’ accrued interest at the maximum rate of 10% per annum on the Notes to be outstanding as of the date of issuance of the Confirmation. In the event that the Bank fails to honor its obligations under the Letter of Credit or if the Letter of Credit is repudiated, the Confirming Bank is obligated to pay to the Issuing and Paying Agent, upon presentation of required documentation, the amount necessary to pay the principal of and interest on the Notes pursuant to the Confirmation. The Confirmation provides that it will expire unless extended, terminated or reduced in accordance with its terms on August 18, 2012 (or, if not a Business Day, the next succeeding Business Day) or earlier upon the occurrence of certain
events described in the Confirmation, including without limitation termination of the Letter of Credit. See “THE LETTER OF CREDIT AND THE CONFIRMATION”, “THE BANK”, and “THE CONFIRMING BANK” herein.

**AMOUNT:** A maximum principal amount outstanding at any single time of $50,000,000 through February 15, 2035.

**Offering Price:** Par

**Maturities:** Two to 270 days from the respective date(s) of issue, as long as the Confirmation is in effect.

**Interest:** The Notes will bear interest (computed on the basis of actual days elapsed on the basis of a 365 or 366 day year, as applicable) from their respective date of delivery at the interest rate per annum determined by the Dealer on such date of delivery, such interest rate not to exceed 10% per annum. The accrued interest on the Notes is payable at maturity.

**Redemption:** The Notes are not subject to redemption prior to maturity or subject to voluntary prepayment prior to maturity; provided, however, that the Notes and the payment thereof may be accelerated upon the occurrence of certain events described in the Indenture.

**Tax Status:** Tax exempt. See “TAX MATTERS” herein.

**Principal Amounts and Minimum Purchase:** $100,000 minimum principal amount and integral multiples of $1,000 in excess of $100,000.

**Settlement:** In immediately available funds, unless otherwise agreed.

**Dealer:** George K. Baum & Company.

**Issuing and Paying Agent:** Deutsche Bank Trust Company Americas.

**Trustee:** Deutsche Bank Trust Company Americas.

**Use of Proceeds:** The Agency will use the proceeds of the sale of the initial tranche of Notes to pay the outstanding balance of the Prior Notes. The Agency may use the proceeds of the sale of any additional Notes under the Indenture (1) to make loans to eligible Borrowers for eligible project costs pursuant to the Loan Agreements, (2) to refund Notes when due under certain conditions, (3) to provide for capitalized interest on the Notes, (4) to pay expenses and costs of the execution, sale and delivery of the Notes, and (5) to fund the Excess Interest Account of the Payment Fund held under the Indenture.
PRIOR NOTES: The Agency’s $31,724,000 Tax Exempt Commercial Paper Revenue Notes, MassDevelopment CP Program 4 Issue, Tranches 1 through 6, inclusive.

FORM OF NOTES: The Notes will be issued as book-entry only notes evidenced by a single fully registered master note (the “Master Note”) registered in the name of The Depository Trust Company, New York, New York (“DTC”), or its nominee, as the initial securities depository for the Notes, such Master Note to be deposited with, and held by, the Issuing and Paying Agent on behalf of DTC. DTC will record, by appropriate entries on its book-entry registration and transfer system, the respective amounts payable in respect of the Notes in book-entry form. Payments by DTC participants to purchasers for whom a DTC participant is acting as agent in respect of Notes in book-entry form will be made in accordance with the rules and procedures of DTC. DTC’s current practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Trustee or the Issuing and Paying Agent on the payable date in accordance with their respective holdings shown on DTC’s records.

The Dealer has reviewed the information in this Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the issuance of the Notes, but the Dealer does not guaranty the accuracy or completeness of any such information.
$50,000,000
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
TAX-EXEMPT COMMERCIAL PAPER REVENUE NOTES,
MASSDEVELOPMENT CP PROGRAM 4 REFUNDING ISSUE

INTRODUCTION

Offering. George K. Baum & Company, in its capacity as dealer (the “Dealer”), is acting as dealer for the Massachusetts Development Finance Agency (the “Agency”) in connection with the issuance, sale and delivery from time to time by the Agency of its Tax-Exempt Commercial Paper Revenue Notes, MassDevelopment CP Program 4 Refunding Issue (the “Notes”), in an aggregate principal amount of not to exceed $50,000,000 outstanding at any single time, pursuant to the Trust Indenture, dated as of August 1, 2009 (as amended and supplemented, the “Indenture”), between the Agency and Deutsche Bank Trust Company Americas, and its successors and assigns, in its capacity as trustee (the “Trustee”), and the Issuing and Paying Agency Agreement, dated as of August 1, 2009 (as amended and supplemented, the “Issuing and Paying Agency Agreement”), between the Agency and Deutsche Bank Trust Company Americas, and its successors and assigns, in its capacity as issuing and paying agent (the “Issuing and Paying Agent”). The aggregate principal amount of the Notes that may be outstanding at any one time and the aggregate amount of interest to maturity of the Notes are limited as provided in the Indenture. The Notes will not be registered under the Securities Act of 1933, as amended (the “Securities Act”), in reliance on the exemption from registration provided by Section 3(a)(2) of the Securities Act.

Purpose of Offering Memorandum. This Offering Memorandum contains certain information relating to the issuance, sale and delivery from time to time by the Agency of the Notes, in an aggregate principal amount of not to exceed $50,000,000 outstanding at any one time, pursuant to the Indenture and the Issuing and Paying Agency Agreement. The payment of the principal of and interest on the Notes, as and when executed, delivered and outstanding in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement, will be secured by an irrevocable direct-pay letter of credit dated August 19, 2009 (as amended, supplemented, substituted or replaced, the “Letter of Credit”), issued by RBS Citizens, National Association, in its capacity as letter of credit provider (the “Bank”), under and pursuant to the terms of the Letter of Credit and Reimbursement Agreement, dated as of August 1, 2009 (as amended and supplemented, the “Reimbursement Agreement”), between the Agency and the Bank.

The Letter of Credit will be confirmed by an irrevocable standby letter of credit confirmation (the “Confirmation”) issued by the Federal Home Loan Bank of Boston (the “Confirming Bank”) in an amount equal to $34,070,711, of which $31,724,000 will support the unpaid principal amount of the Notes and $2,346,711 will support the payment of interest on the Notes for a proper draw under the Confirmation after (i) the Bank fails to honor a proper draw under the Letter of Credit or (ii) the Bank has repudiated the Letter of Credit. The amount of interest coverage under the Confirmation is based on 270 days’ accrued interest at the maximum rate of 10% per annum on the Notes to be outstanding as of the date of issuance of the Confirmation. In the event that the Bank fails to honor its obligations under the Letter of Credit or the Letter of Credit is repudiated, the Confirming Bank is obligated to pay to the Issuing and Paying Agent, upon presentation of required documentation, the amount necessary to pay the principal of and interest on the Notes pursuant to the Confirmation. The Confirmation provides that it will expire unless extended, terminated or reduced in accordance with its terms on August 18, 2012 (or, if
not a Business Day, the next succeeding Business Day) or earlier upon the occurrence of certain events described in the Confirmation, including without limitation termination of the Letter of Credit.

**Purpose of the Notes.** The Agency will issue the initial tranche of Notes to pay the outstanding balance of the Prior Notes. The Agency may issue additional Notes from time to time and use the proceeds of the sale of such Notes (1) to finance portions of the costs of eligible projects by making loans to eligible nonprofit corporations and governmental entities (the “Borrowers”) under loan agreements between the Agency and such Borrowers (the “Loan Agreements”), for eligible project costs pursuant to the terms of the Loan Agreements and the Indenture, (2) to pay the principal of and interest on maturing Notes or to reimburse the Bank for drawings under the Letter of Credit honored by the Bank or the Confirming Bank for drawings under the Confirmation honored by the Confirming Bank, the proceeds of which were used to pay principal of and interest on Notes, (3) to provide for capitalized interest on the Notes, (4) to pay costs of the issuance and sale of the Notes and (5) to fund the Excess Interest Account of the Payment Fund under the Indenture, all as more fully described in and as provided in the Indenture and the Issuing and Paying Agency Agreement. The Notes, as and when executed, delivered and outstanding in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement, will be special obligations of the Agency, payable solely from and secured by a pledge of certain payments to be made under the Loan Agreements between the Agency and the Borrowers and all funds established under the Indenture and the proceeds of draws under the Letter of Credit or the Confirmation.

**Capitalized Terms.** All capitalized terms used in this Offering Memorandum and not otherwise defined in this Offering Memorandum have the same meanings given to such terms in the Indenture. The information contained in this Offering Memorandum has been provided by the Agency, the Bank, the Confirming Bank and the Dealer, and is subject to change.

**THE NOTES**

The Notes will be dated the date of their issuance, will be issued in denominations of $100,000 and integral multiples of $1,000 in excess of $100,000, and, as initially issued, will be book-entry only notes evidenced by a single fully registered master note (the “Master Note”) registered in the name of The Depository Trust Company, New York, New York (“DTC”), or its nominee, as the initial securities depository for the Notes, such Master Note to be deposited with, and held by, the Issuing and Paying Agent on behalf of DTC. The payment of the principal of and interest on the Notes when due, as applicable, is secured by the Letter of Credit issued by the Bank pursuant to the Reimbursement Agreement, which Letter of Credit is confirmed by the Confirmation issued by the Confirming Bank. The payment of the principal of and interest on the Notes when due, as applicable, will be payable at maturity in immediately available funds at the offices of the Issuing and Paying Agent and in accordance with the rules and procedures of DTC. So long as the Notes are in book-entry form only, such payments of the principal of and interest on the Notes when due will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s current practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Trustee or the Issuing and Paying Agent on the payable date in accordance with their respective holdings shown on DTC’s records. See “BOOK-ENTRY ONLY SYSTEM” herein.

The Notes will bear interest (computed on the basis of actual days elapsed on the basis of a 365-day or 366-day year, as appropriate) from their respective date of delivery, at an interest rate not in excess of the lesser of (1) ten percent (10%) per annum or (2) the maximum rate of interest on the relevant obligation permitted by applicable law, such interest rate per annum to be determined by the
Dealer in connection with the sale of the Notes from time to time by the Agency. The Notes will mature on a Business Day which is not later than the earlier of 270 days from the respective date of issuance of such Notes or the fifth Business Day prior to the Stated Termination Date of the Letter of Credit, but in any event on a date not later than February 15, 2035. No Note shall have a term of less than two Business Days so long as the Confirmation is in effect. The Notes are not subject to early redemption or prepayment, other than the right of acceleration upon the occurrence of certain events of default under the Reimbursement Agreement and the Indenture. In addition, Notes may be issued so long as the issuance of such Notes does not result in the aggregate principal amount of Notes Outstanding at any time, together with interest thereon, to be in excess of the Stated Amount of the Letter of Credit in effect, or so long as the Confirmation is in effect, the Stated Amount of the Confirmation, in each case as of the date of issuance of such Notes, and none of the Notes will contain any provision for the extension, renewal or automatic “rollover” of such Notes between the Agency and the purchaser of such Notes.

The Notes are expected to be available for delivery by the Agency from time to time as issued by the Agency in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement through the facilities of DTC in New York, New York or its custodial agent. A portion of the authorized aggregate principal amount of the Notes will initially be issued, executed and delivered by the Agency pursuant to the Indenture and the Issuing and Paying Agency Agreement in a principal amount of $31,724,000, on August 19, 2009, the proceeds thereof to be used in accordance with the terms of the Indenture. As of the date of this Offering Memorandum, no Notes have been previously issued, executed and delivered. The Agency will issue, execute and deliver additional Notes from time to time after the date of this Offering Memorandum in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement, the proceeds thereof to be used in accordance with the terms of the Indenture.

THE AGENCY

The Agency is a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the “Commonwealth”). The Agency is authorized under Chapter 23G and, to the extent incorporated therein, Chapter 40D of the Massachusetts General Laws (such Chapters, collectively and as amended, the “Act”), and pursuant to a resolution of the Agency adopted on November 8, 2007 (the “Resolution”), to issue the Notes. The Agency, in connection with the issuance of the Notes, is exempt from the continuing disclosure requirements of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), relating to secondary market disclosure pursuant to Rule 15c2-12(d)(1)(ii) of the Exchange Act.

THE BORROWERS

The Borrowers are expected to be primarily governmental entities and nonprofit corporations organized to operate facilities that provide cultural or educational services which are eligible to obtain loans from the Agency in accordance with the provisions of the Act. The Borrowers, in connection with the issuance of the Notes, are exempt from the continuing disclosure requirements of Rule 15c2-12 of the Exchange Act relating to secondary market disclosure pursuant to Rule 15c2-12(d)(1)(ii) of the Exchange Act.

THE LETTER OF CREDIT AND CONFIRMATION

The Letter of Credit. In order to assure for the timely payment of the principal of and interest on the Notes when due, the Bank issued to the Issuing and Paying Agent, as beneficiary, the Letter of Credit pursuant to, and subject to the terms and conditions of, the Reimbursement Agreement. On each day on which any outstanding Notes mature, the Issuing and Paying Agent is required to determine the amount of the principal and interest due and payable on the maturity of such maturing Notes, to make a drawing under the Letter of Credit in such amount and to deposit the proceeds of such drawing in the Issuing and Paying Agent Fund to be used to pay the principal of and interest on the outstanding Notes maturing on each such day. The Stated Amount of the Letter of Credit as of the date of this Offering Memorandum is equal to $34,070,711 (as reduced and reinstated from time to time in accordance with the terms of the Reimbursement Agreement and the Letter of Credit), of which $31,724,000 of such Stated Amount will support the unpaid principal amount of the outstanding Notes and $2,346,711 will support up to 270 days’ accrued interest on the outstanding Notes at an assumed interest rate of 10% per annum (on the basis of a 365-day year).

Prior to the issuance, sale and delivery of additional Notes by the Agency from time to time in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement, the proceeds thereof to be used in accordance with the terms of the Indenture, the Stated Amount of the Letter of Credit will be increased in accordance with the terms of the Indenture and the Reimbursement Agreement to an amount sufficient to support the unpaid principal amount of all Notes issued and outstanding as of the date of issuance of any such additional Notes, and up to 270 days’ accrued interest on all Notes issued and outstanding as of the date of issuance of any such additional Notes at an assumed interest rate of 10% per annum (on the basis of a 365-day year), as reduced and reinstated from time to time in accordance with the terms of the Reimbursement Agreement and the Letter of Credit.

The Stated Amount of the Letter of Credit may be increased up to an amount not to exceed $53,698,631 (as reduced and reinstated from time to time in accordance with the terms of the Reimbursement Agreement and the Letter of Credit), representing the sum of (1) the maximum authorized principal amount of Notes which may be issued in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement plus (2) interest on the maximum authorized principal amount of Notes which may be issued in accordance with the terms of the Indenture and the Issuing and Paying Agency Agreement at an assumed interest rate of 10% per annum for a period of 270 days (on the basis of a 365-day year), of which not more than $50,000,000 would support the unpaid principal amount of the Notes and not more than $3,698,631 would support up to 270 days’ accrued interest on the Notes at an assumed interest rate of 10% per annum (on the basis of a 365-day year). Unless extended in accordance with the terms of the Letter of Credit, the stated expiration date of the Letter of Credit as of the date of this Offering Memorandum is December 20, 2014. See “THE BANK” herein for information concerning the Bank.
If an Alternate Letter of Credit is proposed to be delivered to the Issuing and Paying Agent in substitution for the Letter of Credit in accordance with the terms of the Indenture and the Reimbursement Agreement, the Agency shall notify the Trustee, the Issuing and Paying Agent, the Dealer, any rating agency then maintaining a rating on the Notes, and the Bank in writing of the proposed substitution and the related substitution date at least 15 days prior to such substitution date. The Trustee shall give written notice of such substitution date to the owners of the Notes at least 10 days prior to such substitution date. The foregoing is a brief summary of the provisions of the Indenture providing for the delivery of an Alternate Letter of Credit to replace the Letter of Credit and is not a complete description of such provisions. The delivery of an Alternate Letter of Credit for the Letter of Credit is subject to the satisfaction of certain conditions precedent and the foregoing does not purport to be comprehensive or definitive and is subject to the terms and conditions of the Indenture in its entirety.

The Confirmation. Concurrently with the execution and delivery of the Notes, the Confirmation will be issued by the Confirming Bank pursuant to a certain Irrevocable Letter of Credit Reimbursement Agreement dated October 30, 2007 between the Bank and the Confirming Bank (as may be amended, the “Bank Reimbursement Agreement”). The Bank Reimbursement Agreement provides, among other things, for reimbursement to the Confirming Bank by the Bank of all amounts drawn under any letter of credit confirmation issued at the request of the Bank, including without limitation, the Confirmation. The Bank Reimbursement Agreement is a standing agreement in the form used by the Confirming Bank and all of its member banks, including standard events of default, and applies to an open-ended number of transactions between the Bank and the Confirming Bank.

The Confirmation is an irrevocable obligation of the Confirming Bank to pay the Issuing and Paying Agent upon drawings thereon in accordance with its terms, up to an amount equal to the aggregate principal amount of Notes outstanding, plus an amount equal to 270 days’ interest (at a maximum rate of 10% per annum based on a 365-day year).

In each case of a permanent reduction in the principal amount of Notes outstanding or authorized to be issued, the amount available under the Confirmation shall be reduced to an amount equal to the principal amount of the Notes outstanding, plus 270 days’ interest on such principal amount outstanding computed at a maximum rate of 10% per annum based on a 365-day year. Drawings on the Confirmation will reduce the available amount to be drawn thereunder, which amount may be reinstated as set forth in the following paragraph.

In the case of each drawing under the Confirmation for the payment of principal or interest on the Notes, the amount so drawn will be reinstated only if and to the extent the Confirming Bank notifies the Issuing and Paying Agent in writing within 10 days of the drawing that it intends to reinstate the principal component or interest component.

Events of Default under the Bank Reimbursement Agreement include, but are not limited to, (i) failure of the Bank to pay amounts due with respect to any letter of credit issued pursuant to the Bank Reimbursement Agreement; (ii) failure of the Bank to be in compliance with all minimum federal and/or state regulatory capital requirements applicable to it; (iii) any failure of any representation or warranty or other information, furnished by the Bank to the Confirming Bank in any context, to be and remain true, correct and complete; or (iv) the Confirming Bank reasonably and in good faith determines that a material adverse change has occurred in the financial condition of the Bank.

Pursuant to the Confirmation, the Issuing and Paying Agent may draw amounts thereunder (i) after first having presented to the Bank a drawing under the Letter of Credit in conformance with its terms and the Bank having not honored such draw, or (ii) if the Bank has repudiated the Letter of Credit,
without first presenting to the Bank such draw under the Letter of Credit, provided in each case such draw conforms in all respects with the terms and conditions of the Confirmation.

The Stated Amount of the Confirmation is equal to $34,070,711, of which $31,724,000 will support payment of principal and $2,346,711 will support the payment of interest on the Notes for a proper draw under the Confirmation after (i) the Bank fails to honor a proper draw under the Letter of Credit or (ii) the Bank has repudiated the Letter of Credit. The Confirmation shall expire on August 18, 2012, unless extended or earlier terminated as provided therein. So long as the Confirmation is in effect, the Agency may not issue additional Notes under the Indenture unless the Stated Amount of the Confirmation is at least equal to the unpaid principal amount of all Notes issued and outstanding as of the date of issuance of any such additional Notes, plus 270 days’ interest on such principal amount outstanding computed at a maximum rate of 10% per annum based on a 365-day year. The Confirmation makes no provision for any increase in the Stated Amount thereof, though the Bank may apply to the Confirming Bank for such an increase in the future.

THE BANK

The following information concerning RBS Citizens, National Association (the “Bank”), has been provided by representatives of the Bank and has not been independently certified or verified by the Agency, the Borrowers or the Dealer.

The Bank is a national banking association with its main office in Providence, Rhode Island. Except for directors’ qualifying shares, the Bank is a wholly-owned subsidiary of Citizens Financial Group, Inc. (“Citizens”). Citizens is also the parent holding company for Citizens Bank of Pennsylvania and numerous other non-bank entities, and is owned by The Royal Bank of Scotland Group plc (“RBS”). RBS acquired Citizens in 1988.

The Bank was chartered in May 2005 under the name “Citizens Bank, National Association”. The Bank’s name changed from “Citizens Bank, National Association” to “RBS Citizens, National Association” in connection with the mergers of each of the following Citizens subsidiaries – Charter One Bank, National Association, RBS National Bank, Citizens Bank of Massachusetts, Citizens Bank of Connecticut, Citizens Bank New Hampshire, Citizens Bank of Rhode Island, Citizens Bank (Delaware) and CCO Mortgage Corp. – with and into Citizens Bank, National Association. Citizens Bank, National Association survived these mergers under its charter and with the new title of RBS Citizens, National Association. These mergers (as well as the name change) were effective as of September 1, 2007.

The Bank offers a wide range of retail and commercial banking services. Its loan portfolio is divided between commercial loans, including leases and commercial real estate loans, and consumer loans, including residential real estate mortgage loans. The Bank does business through its divisions, including Citizens Bank, Charter One, CCO Mortgage and RBS Card Services.

The Bank is subject to supervision and examination by the Office of the Comptroller of the Currency. It is also subject to requirements and restrictions under federal and state law, including requirements to maintain reserves against deposits, restrictions on the types and amounts of loans that may be granted and the interest that may be charged thereon, and limitations on the types of investments that may be made and the types of services that may be offered. Various consumer laws and regulations also affect the Bank’s operations.
The Letter of Credit is an obligation of the Bank, and is not an obligation of Citizens, RBS or any of their other subsidiaries or affiliates.

Citizens is a Providence-based commercial bank holding company. As of June 30, 2009, Citizens had $153.3 billion in assets, total equity capital of $20.4 billion, total deposits of $99.7 billion, total loans and leases before allowance for loan losses of $104.1 billion ($101.2 billion net of allowance) and 21,110 full time equivalent employees.

Based on the annual Summary of Deposits report for June 30, 2009, the Bank had 1,188 branches. As of June 30, 2009 the Bank had total assets of $121.9 billion, total deposits of $78.4 billion, total loans and leases before allowance for loan losses of $86.5 billion ($83.8 billion net of allowance), and total equity capital of $16.5 billion.

The foregoing summary information is provided for convenience purposes only. Important additional information with respect to Citizens and the Bank is contained in the publicly available portions of the Bank’s Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices – FFIEC 031, as submitted to the Federal Deposit Insurance Corporation.

Except as set forth above, neither the Bank nor its affiliates make any representations as to the contents of this Offering Memorandum, the suitability of the Notes for any investor, the feasibility or performance of any project or compliance with any securities or tax laws and regulations.

The Letter of Credit is an obligation of the Bank and is not an obligation of Citizens, RBS or any of their other subsidiaries. No banking or other affiliate or subsidiary controlled by Citizens or RBS, except the Bank, is obligated to make payments under the Letter of Credit.

Payment of principal of and interest on the Notes will be made from drawings under the Letter of Credit. Although the Letter of Credit is a binding obligation of the Bank, the Notes are not deposits or obligations of the Bank, Citizens or RBS and are not guaranteed by any of such entities. The Notes are not insured by the Federal Deposit Insurance Corporation or any other governmental agency and are subject to certain investment risks, including possible loss of the principal amount invested.

The information concerning Citizens and the Bank contained under this caption of this Offering Memorandum has been furnished solely to provide limited introductory information regarding Citizens and the Bank and does not purport to be comprehensive, represents only a summary of the information referred to under this caption, and is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced under this caption. Except to the limited extent described under this caption, the information contained under this caption does not attempt to describe the business or analyze the condition, financial or otherwise, of Citizens or the Bank or otherwise describe any risks associated with Citizens or the Bank. The prospective owners of the Notes, and each owner of a Note, must rely on such owner’s own knowledge, investigation and examination of the creditworthiness of Citizens and the Bank. The delivery of this Offering Memorandum shall not create any implication that there has been no change in the affairs of Citizens or the Bank since the date of this Offering Memorandum, or that the information contained under this caption is correct as of any time subsequent to the date of this Offering Memorandum.
THE CONFIRMING BANK

The Confirming Bank is a federally chartered corporation organized by Congress in 1932 and is a government-sponsored enterprise (GSE). The Confirming Bank is privately capitalized and its mission is to serve the residential-mortgage and community-development lending activities of its member institutions and housing associates located in the New England region. Altogether, there are 12 district Federal Home Loan Banks (FHLBanks) located across the United States (U.S.), each supporting the lending activities of member financial institutions within their specific regions. Each FHLBank is a separate entity with its own board of directors, management, and employees.

The Confirming Bank combines private capital and public sponsorship that enables its member institutions and housing associates to assure the flow of credit and other services for housing and community development. The Confirming Bank serves the public through its member institutions and housing associates by providing these institutions with a readily available, low-cost source of funds, thereby enhancing the availability of residential-mortgage and community-investment credit. In addition, the Confirming Bank provides members a means of liquidity through a mortgage-purchase program. Under this program, members are offered the opportunity to originate mortgage loans for sale to the Confirming Bank. The Confirming Bank's primary source of income is derived from the spread between interest-earning assets and interest-bearing liabilities. The Confirming Bank borrows funds at favorable rates due to its GSE status.

The Confirming Bank's members and housing associates are comprised of institutions located throughout the New England region. The region is comprised of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. Institutions eligible for membership include thrift institutions (savings banks, savings and loan associations, and cooperative banks), commercial banks, credit unions, and insurance companies that are active in housing finance. The Confirming Bank is also authorized to lend to certain nonmember institutions (called housing associates) such as state housing-finance agencies located in New England. Members are required to purchase and hold the Confirming Bank's capital stock for advances and certain other activities transacted with the Confirming Bank. The par value of the Confirming Bank's capital stock is $100 and is not publicly traded on any stock exchange. In addition, the U.S. government guarantees neither the member's investment in nor any dividend on the Confirming Bank's stock. The Confirming Bank is capitalized by the capital stock purchased by its members and by retained earnings. Members may receive dividends, which are determined by the Confirming Bank's board of directors, and may redeem their capital stock at par value after satisfying certain requirements. The Federal Housing Finance Board (Finance Board), an independent agency in the executive branch of the U.S. government, supervised and regulated the FHLBanks through July 29, 2008. With the passage of the Housing and Economic Recovery Act of 2008 (HERA), the newly-established, independent Federal Housing Finance Agency (Finance Agency) became the new regulator of the FHLBanks, effective July 30, 2008. All existing regulations, orders, and decisions of the Finance Board remain in effect until modified or superseded. The Finance Board will be abolished one year after the date of enactment of HERA.

The Office of Finance was established by the Finance Board to facilitate the issuing and servicing of consolidated obligations (COs) of the FHLBanks. These COs are issued on a joint basis. The FHLBanks, through the Office of Finance as their agent, are the issuers of COs for which they are jointly and severally liable. The Office of Finance also provides the FHLBanks with credit and market data and maintains the FHLBanks' joint relationships with credit-rating agencies. The Office of Finance manages the Resolution Funding Corporation (REFCorp) and Financing Corporation programs.
Moody’s Investors Service, Inc. ("Moody’s") currently rates the Confirming Bank’s long-term bank deposits as “Aaa” and short-term bank deposits as “P-1”. Standard & Poor’s Ratings Services, a Division of the McGraw-Hill Companies, Inc. ("S&P") rates the Confirming Bank’s long-term issuer credit as “AAA” and its short-term issuer credit as “A-1+”. Further information with respect to such ratings may be obtained from Moody’s and Standard & Poor’s, respectively. No assurances can be given that the current ratings of the Confirming Bank and its instruments will be maintained.

The Confirming Bank refers any purchaser or prospective purchaser of the Notes to all annual, quarterly and current reports filed by the Confirming Bank with the Securities and Exchange Commission.

**BOOK-ENTRY ONLY SYSTEM**

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered master note certificate will be issued for the Notes in the aggregate principal amount of the Notes authorized to be executed and delivered from time to time pursuant to the Indenture and the Issuing and Paying Agency Agreement, and will be deposited with, and held by, the Issuing and Paying Agent on behalf of DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (the “Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “Indirect Participants”). DTC has Standard & Poor’s highest rating: “AAA”. The DTC Rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (each, a “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as
well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal and interest on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts, upon DTC’s receipt of funds and corresponding detail information from the Trustee or the Issuing and Paying Agent on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, the Issuing and Paying Agent or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Notes to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Agency, the Trustee or the Issuing and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the Agency, the Trustee or the Issuing and Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, note certificates are required to be printed and delivered.

The Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered to DTC.
The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Agency believes to be reliable, but the Agency takes no responsibility for the accuracy thereof.

TAX MATTERS

In the opinion of Edwards Angell Palmer & Dodge LLP, Bond Counsel to the Agency (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”).

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 (the “Recovery Act”) into law. The Recovery Act includes changes which modify the treatment under the alternative minimum tax of interest on certain bonds of state and local government entities. Interest on the Notes is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes and, as a result of the modifications made by the Recovery Act, is not included in adjusted current earnings when calculating corporate alternative minimum taxable income.

Other than as expressly stated herein, Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. Failure to comply with these requirements may result in interest on the Notes being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Notes. The Agency and the Borrowers have covenanted to comply with such requirements to ensure that interest on the Notes will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these covenants.

Bond Counsel is also of the opinion that, under existing law, interest on the Notes and any profit on the sale of the Notes are exempt from Massachusetts personal income taxes and that the Notes are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other Massachusetts tax consequences arising with respect to the Notes. Prospective Noteowners should be aware, however, that the Notes are included in the measure of Massachusetts estate and inheritance taxes, and the Notes and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel has not opined as to the taxability of the Notes or the income therefrom under the laws of any state other than Massachusetts. A copy of the proposed form of opinion of Bond Counsel is attached as Appendix A to this Offering Memorandum.

Prospective Noteowners should be aware that certain requirements and procedures contained or referred to in the Indenture and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any
future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the value of, or the tax status of interest on, the Notes. Prospective Noteowners are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Notes may otherwise affect a Noteowner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Noteowner or the Noteowner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and Noteowners should consult with their own tax advisors with respect to such consequences.

RATINGS

Moody’s has assigned a short-term rating of “P-1” to the Notes. The short-term rating is based solely on the Letter of Credit provided by the Bank and the Confirmation provided by the Confirming Bank. Moody’s rating reflects only the view of Moody’s at the time such rating was given and neither the Agency nor the Dealer makes any representations as to the appropriateness of such rating. Such rating is not a recommendation to buy, sell or hold the Notes and should be evaluated independently. Explanations of the significance of such rating may be obtained from Moody’s at 99 Church Street, New York, New York 10007 (212-553-0300). Generally, a rating agency bases its rating and outlook (if any) on the information and materials furnished to such rating agency and such rating agency’s own investigations, studies and assumptions. There is no assurance that such rating will continue for any given period of time or that such rating will not be revised or withdrawn entirely, if, in the judgment of Moody’s, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approval of Edwards Angell Palmer & Dodge LLP, Bond Counsel to the Agency. The approving opinion is expected to be in substantially the form of opinion of Bond Counsel attached as Appendix A to this Offering Memorandum.

MISCELLANEOUS

The references in this Offering Memorandum to the Act, the Indenture, the Issuing and Paying Agency Agreement, the Letter of Credit, the Reimbursement Agreement, the Confirmation and other materials are only brief outlines of certain provisions thereof and do not purport to summarize or describe all the provisions thereof. Reference is hereby made to such instruments, documents and other materials, copies of which will be furnished by the Trustee upon request for further information.

Any statements in this Offering Memorandum involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.
The information contained in this Offering Memorandum has been provided by the Agency, the Bank, the Confirming Bank and the Dealer. All references to the documents and other materials mentioned herein are qualified in their entirety by reference to the complete provisions of such documents and other materials referenced. Although this information is believed to be accurate, the Dealer does not represent that such information is accurate and complete, and it should not be relied upon as such. The information and expressions of opinion in this Offering Memorandum are subject to change without notice after the date appearing on the first page of the descriptive portion of this Offering Memorandum, and future use of this Offering Memorandum shall not otherwise create any implication that there has been no change in the matters referred to in this Offering Memorandum since such date.

The Notes do not constitute a general obligation of the Agency or a debt or pledge of the faith and credit of The Commonwealth of Massachusetts or any political subdivision thereof. The principal of and interest on the Notes are payable solely from the revenues and funds pledged for their payment under the Indenture and from draws under the Letter of Credit and the Confirmation. The Agency has no taxing power under the Act.

If you require additional information or have any questions concerning the terms and conditions of this offering, please contact:

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Appendix A

Form of Opinion of Bond Counsel

[Closing Date]

Massachusetts Development Finance Agency
160 Federal Street
Boston, Massachusetts 02110

$_____________

Massachusetts Development Finance Agency
Tax-Exempt Commercial Paper Revenue Notes,
MassDevelopment CP Program 4 Refunding Issue
Dated the Date of Original Delivery

We have acted as bond counsel to the Massachusetts Development Finance Agency (the “Agency”) in connection with the issuance by the Agency of the above-referenced notes (the “Notes”). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion, including the Trust Indenture, dated as of August 1, 2009, as amended and supplemented (as amended and supplemented, the “Indenture”), between the Agency and Deutsche Bank Trust Company Americas, as trustee (the “Trustee”). All terms used in this opinion and not otherwise defined shall have the meanings assigned to them in the Indenture.

As to questions of fact material to our opinion, we have relied upon representations and covenants of the Agency contained in the Indenture, the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

The Notes are issued pursuant to the Indenture and are secured by an irrevocable direct pay letter of credit (the “Letter of Credit”) issued by RBS Citizens, National Association (the “Bank”), pursuant to a Letter of Credit and Reimbursement Agreement, dated as of August 1, 2009 (the “Reimbursement Agreement”), between the Agency and the Bank and an irrevocable stand-by letter of credit confirmation (the “Confirmation”) issued by the Federal Home Loan Bank of Boston (the “Confirming Bank”). Pursuant to the Indenture, the proceeds from the sale of the Notes will be used to pay the outstanding principal amount of the Prior Notes the proceeds of which were used to make loans to participating institutions (the “Institutions”) pursuant to Loan Agreements (each, a “Loan Agreement”), between the Agency and the Institutions, in order to enable such Institutions to finance or refinance the cost of eligible projects (the “Projects”). The Bank and each Institution have separately entered into a Borrower Reimbursement Agreement (each, a “Borrower Reimbursement Agreement”) which governs certain obligations between such Institutions and the Bank.

In order to secure the payment of principal of and interest on the Notes, the Agency has (a) pledged and assigned to the Trustee and the Bank (i) certain rights of the Agency under the Loan Agreements financed with the proceeds of the Notes, and (ii) the moneys payable to the Agency or its designee under such Loan Agreements (collectively, the “Revenues”) and the rights of the Agency to receive the same (excluding, however, certain administrative fees, indemnification and reimbursements), (b) provided for the issuance by the Bank of the Letter of Credit for the benefit of the Noteowners, and (c) provided for the issuance by the Confirming Bank of the Confirmation for the benefit of the Noteowners. The Notes are
payable solely from the funds available therefor under the Indenture, including the Revenues and the proceeds of the Letter of Credit and the Confirmation.

We express no opinion with respect to compliance by any Institution with applicable legal requirements with respect to any Loan Agreement or any Borrower Reimbursement Agreement applicable to such Institution or in connection with the construction or operation of its Project being financed by the Notes.

In connection with the execution of a Loan Agreement and a Borrower Reimbursement Agreement by an Institution, counsel to such Institution has opined, with respect to, among other matters, the corporate existence of such Institution, the power of such Institution to carry out the Project, the power of such Institution to enter into and perform its obligations under the Loan Agreement and the Borrower Reimbursement Agreement and the authorization, execution and delivery of the Loan Agreement and the Borrower Reimbursement Agreement by such Institution. We have relied on each such opinion with regard to such matters and to the other matters addressed therein, including, without limitation, the current qualification of an Institution as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) and the use of the Project in activities of the Institution that do not constitute unrelated trades or businesses of the Institution within the meaning of Section 513 of the Code. We note that each such opinion is subject to the limitations and conditions described therein. Failure of an Institution to maintain its status as an organization described in Section 501(c)(3) of the Code or to use the Project in activities of the Institution that do not constitute unrelated trades or businesses of the Institution within the meaning of Section 513 of the Code may result in interest on the Notes being included in gross income for federal income tax purposes, possibly from the date of issuance of the Notes.

Based on our examination, we are of opinion, under existing law, as follows:

1. The Agency is a duly created and validly existing body corporate and politic and a public instrumentality of The Commonwealth of Massachusetts with the power to enter into and perform the Indenture and to issue the Notes.

2. The Indenture and the Loan Agreements have been duly authorized, executed and delivered by the Agency and are valid and binding obligations of the Agency enforceable upon the Agency. As provided in Massachusetts General Laws, Chapter 23G, as amended, the Indenture creates a valid lien on the Revenues and on the rights of the Agency or the Trustee on behalf of the Agency to receive Revenues under the Indenture (except certain rights to indemnification, reimbursements and fees).

3. The Notes have been duly authorized, executed and delivered by the Agency and are valid and binding special obligations of the Agency, payable solely from the Revenues.

4. Interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes. In addition, interest on the Notes is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes and is not included in adjusted current earnings when calculating corporate alternative minimum taxable income. In rendering the opinions set forth in this paragraph, we have assumed compliance by the Agency and each Institution with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Agency has covenanted in the Indenture and the Institutions have covenanted in the Loan
Agreements to comply with all such requirements. Failure by the Agency or an Institution to comply with certain of such requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. We express no opinion regarding any other federal tax consequences arising with respect to the Notes.

5. Interest on the Notes is exempt from Massachusetts personal income taxes and the Notes are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Notes or any tax consequences arising with respect to the Notes under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason. This letter is furnished by us solely for the benefit of the addressees hereto and may not be relied upon by any other person or entity.

The rights of the holders of the Notes and the enforceability of the Notes, the Indenture, the Loan Agreements and the Borrower Reimbursement Agreements may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.
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