

(2) The proceeds of bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the Corporation, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption date, and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the Corporation.

(3) (I) Any escrowed bond proceeds, pending such use, may be invested and reinvested in [obligations of or guaranteed by the United States of America, or in certificates of deposit or time deposits secured by obligations of or guaranteed by the United States of America,] INVESTMENTS AND OTHER OBLIGATIONS maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest, and redemption premium, if any, of the outstanding bonds to be so refunded.

(II) THE INVESTMENT OF THE BOND PROCEEDS SHALL BE:

1. DETERMINED BY THE CORPORATION; OR
2. IF THE PROCEEDS OF THE BONDS ARE BEING LOANED BY THE CORPORATION TO A PERSON PURSUANT TO SUBSECTION (K) OF THIS SECTION, DETERMINED BY THE PERSON.

(III) The interest, income, and profits, if any, earned or realized on any [such investment] THE INVESTMENTS OR OTHER OBLIGATIONS may also be applied to the payment of the outstanding bonds to be so refunded.

(IV) After the terms of the escrow have been fully satisfied and carried out, any balance of [such] THE proceeds and interest, income, and profits, if any, earned or realized on [the investments thereof] THE INVESTMENTS OR OTHER OBLIGATIONS may be returned to the Corporation OR THE PERSON BEING LOANED THE PROCEEDS OF THE BONDS for use [by it] in any lawful manner.

[(4)] (I) (1) The portion of the proceeds of any [of its] bonds issued for the [additional] purpose of paying all or any part of the cost of a project may be invested and reinvested in [obligations of or guaranteed by the United States of America, or in certificates of deposit or time deposits secured by obligations of or guaranteed by the United States of America, maturing] INVESTMENTS AND ANY OTHER OBLIGATIONS MATURING not later than the time or times when such proceeds will be needed for the purpose of paying all or any part of such cost.

(2) THE INVESTMENT OF THE BOND PROCEEDS SHALL BE:

- (I) DETERMINED BY THE CORPORATION; OR
- (II) IF THE PROCEEDS OF THE BONDS ARE BEING LOANED BY THE CORPORATION TO A PERSON PURSUANT TO SUBSECTION (K) OF THIS SECTION, DETERMINED BY THE PERSON.

(3) The interest, income, and profits, if any, earned or realized on [such investment] THE INVESTMENTS OR OTHER OBLIGATIONS may be applied to the