

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 13D**  
Under the Securities Exchange Act of 1934  
(Amendment No. 03)\*

AllianceBernstein National Municipal Income Fund, Inc.

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(Name of Issuer)

**VARIABLE RATE MUNIFUND TERM PREFERRED SHARES**

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(Title of Class of Securities)

**01864U403, 01864U502, 01864U601**

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(CUSIP Number)

**Bank of America Corporation, Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255 Phone : 9802544395**

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(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

**August 28, 2019**

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(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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<b>1</b>	<b>NAMES OF REPORTING PERSONS</b> <b>I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)</b> BANK OF AMERICA CORP /DE/ 56-0906609	
<b>2</b>	<b>CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP</b> (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	<b>SEC USE ONLY</b>	
<b>4</b>	<b>SOURCE OF FUNDS</b> WC	
<b>5</b>	<b>CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(e) or 2(f)</b> <input checked="" type="checkbox"/>	
<b>6</b>	<b>CITIZENSHIP OR PLACE OF ORGANIZATION</b> Delaware	
<b>NUMBER OF SHARES  BENEFICIALLY OWNED  BY EACH REPORTING  PERSON WITH</b>	<b>7</b>	<b>SOLE VOTING POWER</b> 0
	<b>8</b>	<b>SHARED VOTING POWER</b> 9,285
	<b>9</b>	<b>SOLE DISPOSITIVE POWER</b> 0
	<b>10</b>	<b>SHARED DISPOSITIVE POWER</b> 9,285
<b>11</b>	<b>AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON</b> 9,285	
<b>12</b>	<b>CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES</b> <input type="checkbox"/>	
<b>13</b>	<b>PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)</b> 100%	
<b>14</b>	<b>TYPE OF REPORTING PERSON</b> HC	

<b>1</b>	<b>NAMES OF REPORTING PERSONS</b> <b>I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)</b> Banc of America Preferred Funding Corporation 75-2939570		
<b>2</b>	<b>CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP</b>		(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
<b>3</b>	<b>SEC USE ONLY</b>		
<b>4</b>	<b>SOURCE OF FUNDS</b> WC		
<b>5</b>	<b>CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(e) or 2(f)</b>		<input type="checkbox"/>
<b>6</b>	<b>CITIZENSHIP OR PLACE OF ORGANIZATION</b> Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	<b>7</b>	<b>SOLE VOTING POWER</b> 0	
	<b>8</b>	<b>SHARED VOTING POWER</b> 9,285	
	<b>9</b>	<b>SOLE DISPOSITIVE POWER</b> 0	
	<b>10</b>	<b>SHARED DISPOSITIVE POWER</b> 9,285	
<b>11</b>	<b>AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON</b> 9,285		
<b>12</b>	<b>CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES</b>		<input type="checkbox"/>
<b>13</b>	<b>PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)</b> 100%		
<b>14</b>	<b>TYPE OF REPORTING PERSON</b> CO		

**Item 1. Security and Issuer**

This Amendment No. 3 (this "Amendment") amends, as set forth below, the statement on Schedule 13D, dated September 1, 2015 and filed with the SEC on September 3, 2015 (the "Original Schedule 13D"), as amended by Amendment No. 1 dated December 19, 2018 and filed with the SEC on December 21, 2018 ("Amendment No. 1") and as amended by Amendment No. 2 dated March 14, 2019 and filed with the SEC on March 18, 2019 ("Amendment No. 2"), for Bank of America Corporation ("BAC") and Banc of America Preferred Funding Corporation ("BAPFC") (collectively, the "Reporting Persons") with respect to the variable rate munifund term preferred shares ("VMTP Shares") of AllianceBernstein National Municipal Income Fund, Inc. (the "Issuer").

This Amendment is being filed by the Reporting Persons as a result of (i) the purchase by BAPFC of 5,754 2019 Variable Rate MuniFund Term Preferred Shares (the "2019 VMTP Shares") of the Issuer (CUSIP No. 01864U601) and (ii) the redemption by the Issuer of 5,644 of the Issuer's VMTP Shares held by BAPFC (CUSIP No. 01864U403). In addition to the 2019 VMTP Shares, BAPFC holds 3,531 VMTP Shares (CUSIP No. 01864U502).

**Item 2. Identity and Background**

- (a) Item 2 of the Original Schedule 13D is hereby amended by deleting Schedule I and Schedule II referenced therein and replacing them with Schedule I and Schedule II included with this Amendment.

Item 2 of the Original Schedule 13D is further amended by deleting paragraphs (a), (b) and (c) thereof and replacing them with following:

This Statement is being filed on behalf of each of the following persons (collectively, the "Reporting Persons"):

- i. Bank of America Corporation ("BAC")
- ii. Banc of America Preferred Funding Corporation ("BAPFC")

This Statement relates to the VMTP Shares that were purchased for the account of BAPFC.

- (b) The address of the principal business office of BAC is:  
Bank of America Corporate Center  
100 North Tryon Street  
Charlotte, North Carolina 28255

The address of the principal business office of BAPFC is:  
214 North Tryon Street  
Charlotte, North Carolina 28255

- (c) BAC and its subsidiaries provide diversified global financial services and products. BAPFC is an indirect wholly owned subsidiary of BAC and the principal business of BAPFC is to make investments and provide loans to clients."
- (d)
- (e)
- (f)

**Item 3. Source and Amount of Funds or Other Consideration**

Item 3 of the Original Schedule 13D is hereby amended by adding the following paragraph at the end thereof:

"BAPFC purchased 5,754 2019 VMTP Shares (CUSIP No. 01864U601) from the Issuer (the "2019 Purchase").

The aggregate amount of funds used by the Reporting Persons for the 2019 Purchase was approximately \$143,850,000. The source of funds was the working capital of the Reporting Persons."

**Item 4. Purpose of Transaction**

Item 4 of the Original Schedule 13D is hereby amended by adding the following paragraph at the end thereof:

"BAPFC made the 2019 Purchase for investment purposes. BAPFC acquired the 2019 VMTP Shares (CUSIP No. 01864U601) pursuant to a VMTP Purchase Agreement, dated August 28, 2019, between the Issuer and BAPFC on their initial issuance for a purchase price of \$143,850,000.

The Reporting Persons have not acquired the subject securities with any purpose, or with the effect of, changing or influencing control of the Issuer, or in connection with or as a participant in any transaction having that purpose or effect."

- (a)
- (b)
- (c)
- (d)
- (e)
- (f)
- (g)
- (h)
- (i)
- (j)

**Item 5. Interest in Securities of the Issuer**

- (a)
- (b)
- (c)

<u>Transaction Date</u>	<u>Shares or Units Purchased (Sold)</u>	<u>Price Per Share or Unit</u>
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- (d)
- (e)

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer**

Item 6 of the Original Schedule 13D is hereby amended by adding the following at the end of the first paragraph thereof:

"The voting and consent rights on the 5,754 2019 VMTP Shares acquired by BAPFC will be treated in the same manner as previously described in this Item 6.

BAPFC has the right to cause the Issuer to register the 2019 VMTP Shares (CUSIP No. 01864U601) pursuant to a Registration Rights Agreement, dated August 28, 2019 between the Issuer and BAPFC."

**Item 7. Material to Be Filed as Exhibits**

Item 7 of the Original Schedule 13D is hereby amended by deleting Exhibit 99.1 and Exhibit 99.2 thereto and the insertion of the following exhibits:

"Exhibit Description of Exhibit  
99.1 Joint Filing Agreement  
99.2 Power of Attorney  
99.8 VMTP Purchase Agreement, dated August 28, 2019  
99.9 Registration Rights Agreement, dated August 28, 2019"

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*Signature*

*After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.*

August 30, 2019

**Bank of America Corporation**

By: /s/ Ally Pecarro  
Attorney-in-fact

August 30, 2019

**Banc of America Preferred Funding Corporation**

By: /s/ Michael Jentis  
Authorized Signatory

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative (other than an executive officer or general partner of the filing person), evidence of the representative's authority to sign on behalf of such person shall be filed with the statement: provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

**Footnotes:**

**Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)**

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**SCHEDULE I****EXECUTIVE OFFICERS AND DIRECTORS OF  
REPORTING PERSONS**

The following sets forth the name and present principal occupation of each executive officer and director of Bank of America Corporation. The business address of each of the executive officers and directors of Bank of America Corporation is Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255.

<u>Name</u>	<u>Position with Bank of America Corporation</u>	<u>Principal Occupation</u>
Brian T. Moynihan	Chairman of the Board, Chief Executive Officer, President and Director	Chairman of the Board, Chief Executive Officer, and President of Bank of America Corporation
Dean C. Athanasia	President, Retail and Preferred & Small Business Banking	President, Retail and Preferred & Small Business Banking of Bank of America Corporation
Catherine P. Bessant	Chief Operations and Technology Officer	Chief Operations and Technology Officer of Bank of America Corporation
Sheri Bronstein	Chief Human Resources Officer	Chief Human Resources Officer of Bank of America Corporation
Paul M. Donofrio	Chief Financial Officer	Chief Financial Officer of Bank of America Corporation
Geoffrey Greener	Chief Risk Officer	Chief Risk Officer of Bank of America Corporation
Kathleen A. Knox	President, Private Bank	President, Private Bank of Bank of America Corporation
David Leitch	Global General Counsel	Global General Counsel of Bank of America Corporation
Thomas K. Montag	Chief Operating Officer	Chief Operating Officer of Bank of America Corporation
Thong M. Nguyen	Vice Chairman	Vice Chairman of Bank of America Corporation
Andrew M. Sieg	President, Merrill Lynch Wealth Management	President, Merrill Lynch Wealth Management
Andrea B. Smith	Chief Administrative Officer	Chief Administrative Officer of Bank of America Corporation
Sharon L. Allen	Director	Former Chairman of Deloitte LLP
Susan S. Bies	Director	Former Member, Board of Governors of the Federal Reserve System
Jack O. Bovender, Jr.	Lead Independent Director	Former Chairman and Chief Executive Officer of HCA Inc.
Frank P. Bramble, Sr.	Director	Former Executive Vice Chairman, MBNA Corporation
Pierre de Weck <sup>1</sup>	Director	Former Chairman and Global Head of Private Wealth Management, Deutsche Bank AG
Arnold W. Donald	Director	President and Chief Executive Officer, Carnival Corporation & plc
Linda P. Hudson	Director	Executive Officer, The Cardea Group, LLC and Former President and Chief Executive Officer of BAE Systems, Inc.
Monica C. Lozano	Director	Chief Executive Officer, College Futures Foundation and Former Chairman, US Hispanic Media Inc.
Thomas J. May	Director	Chairman, Viacom Inc.; Former Chairman, President, and Chief Executive Officer of Eversource Energy
Lionel L. Nowell, III	Director	Former Senior Vice President and Treasurer, PepsiCo Inc.
Denise L. Ramos	Director	Former Chief Executive Officer and President of ITT
Clayton S. Rose	Director	President of Bowdoin College
Michael D. White	Director	Former Chairman, President and Chief Executive Officer of DIRECTV
Thomas D. Woods <sup>2</sup>	Director	Former Vice Chairman and Senior Vice President of Canadian Imperial Bank of Commerce
R. David Yost	Director	Former Chief Executive Officer of AmerisourceBergen Corp.
Maria T. Zuber	Director	Vice President for Research and E.A., Griswold Professor of Geophysics, MIT

<sup>1</sup> Mr. de Weck is a citizen of Switzerland.

<sup>2</sup> Mr. Woods is a citizen of Canada.

The following sets forth the name and present principal occupation of each executive officer and director of Banc of America Preferred Funding Corporation. The business address of each of the executive officers and directors of Banc of America Preferred Funding Corporation is 214 North Tryon Street, Charlotte, North Carolina 28255.

Name	Position with Banc of America Preferred Funding Corporation	Principal Occupation
John J. Lawlor	Director and President	Managing Director, Municipal Markets and Public Sector Banking Executive of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, National Association
Edward H. Curland	Director and Managing Director	Managing Director, Municipal Markets Executive for Trading of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, National Association
Michael I. Jentis	Managing Director	Managing Director, Head of Sales – Public Finance of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, National Association
Mona Payton	Managing Director	Managing Director, Municipal Markets Executive for Short-Term Trading of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, National Association
Edward J. Sisk	Director and Managing Director	Managing Director, Public Finance Executive of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, National Association
John B. Sprung	Director	Corporate Director
David A. Stephens	Director and Managing Director	Managing Director, Executive for Public Finance and Public Sector Credit Products of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, National Association





## SCHEDULE II

### LITIGATION SCHEDULE

#### New York Attorney General Investor Protection Bureau Masking Settlement 3/22/2018

On March 22, 2018, the Attorney General of the State of New York Investor Protection Bureau ("NYAG") alleged that Bank of America Corporation ("BAC") and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") (1) concealed from its institutional clients that orders were routed to and executed by "electronic liquidity providers," (2) misstated the composition of orders and trades in its dark pool, and (3) did not accurately describe its use of a proprietary "venue ranking" analysis, in violation of the Martin Act and Executive Law § 63(12). In connection with the agreement, BAC and MLPF&S agreed (1) not to engage, or attempt to engage, in conduct in violation of any applicable laws, including but not limited to the Martin Act and Executive Law § 63(12); (2) to pay a penalty in the amount of \$42,000,000; and (3) provide the NYAG a summary of the review of its electronic trading policies and procedures.

#### BANA Servicemembers Civil Relief Act Settlement 5/29/2015

On May 29, 2015, the Office of the Comptroller of the Currency of the United States of America ("OCC") issued an Order to Cease and Desist and Order of Assessment of a Civil Money Penalty (together, the "Orders") against Bank of America, N.A. ("BANA") relating to the Servicemembers Civil Relief Act ("SCRA") and BANA's sworn document and collections litigation practices. In the Orders, the OCC identified (i) unsafe or unsound practices in connection with BANA's efforts to comply with the SCRA, (ii) SCRA violations, and (iii) unsafe or unsound practices in connection with BANA's sworn document and collections litigation practices. Regarding the SCRA, the Orders stated BANA failed to have effective policies and procedures to ensure compliance with SCRA; failed to devote sufficient financial, staffing, and managerial resources to ensure proper administration of its SCRA compliance processes; failed to devote to its SCRA compliance processes adequate internal controls, compliance risk management, internal audit, third party management, and training; and engaged in violations of the SCRA. Regarding the sworn document and collections litigation process, the Orders stated that BANA filed or caused to be filed in courts affidavits executed by its employees or employees of third party service providers making assertions that, in many cases, were not based on personal knowledge or review of relevant books and records; filed or caused to be filed in court affidavits when BANA did not follow proper notary procedures; failed to devote sufficient financial, staffing, and managerial resources to ensure proper administration of its sworn document and collections litigation processes; and failed to sufficiently oversee outside counsel and other third-party providers handling sworn document and collections litigation services. In the Orders, BANA agreed to pay a civil money penalty in the total amount of \$30 million, has begun corrective action, and is committed to taking all necessary and appropriate steps to remedy the deficiencies, unsafe or unsound practices, and violations of law identified by the OCC, and to enhance its SCRA compliance practices and sworn document and collections litigation practices. Specifically, BANA agreed to: (a) appoint and maintain a compliance committee to monitor and oversee BANA's compliance with the Orders and to approve measures to ensure compliance; (b) submit an acceptable plan containing a complete description of the actions to achieve compliance with the Orders; (c) submit a written plan to effectively implement an enterprise-wide compliance risk management program regarding compliance with all applicable laws, regulations, and regulatory guidance; (d) conduct a written, comprehensive assessment of its risk in SCRA compliance operations, including but not limited to, operational, compliance, legal, and reputational risks; (e) submit acceptable written plans to ensure its compliance with the SCRA and with regard to collections litigation; (f) submit plans to conduct a SCRA review and a collections litigation review of accounts, SCRA and collections litigation remediation, and SCRA internal audit; (g) submit policies and procedures for SCRA third party management and improvements to its management information systems for SCRA compliance activities, and to provide certain reports to the compliance committee; (h) submit written plans, programs, policies, and procedures required by the Orders; and (i) submit a written progress report dealing the form and manner of all actions taken to secure compliance with the provision of the Orders and the results thereof. In settlement of this matter, BANA consented and agreed to the issuance of the Orders, which the OCC has determined to accept and has issued. BANA neither admits nor denies the findings in the Orders.

#### BAC Foreign Exchange Settlement 5/20/2015

On May 20, 2015, the Board of Governors of the Federal Reserve System ("FRB") issued an Order to Cease and Desist and Order of Assessment of a Civil Money Penalty against BAC relating to its foreign exchange ("FX") activities ("Order") from 2008 through 2013. The Order states that (a) BAC lacked adequate firm-wide governance, risk management, compliance and audit policies and procedures to ensure that certain of the firm's FX activities complied with safe and sound banking practices, applicable U.S. laws and regulations, including policies and procedures to prevent potential violations of the U.S. commodities, antitrust and criminal fraud laws, and applicable internal policies; (b) BAC's deficient policies and procedures prevented BAC from detecting and addressing periodic conduct by BANA's traders relating to certain communications by these traders; and (c) as a result of deficient policies and procedures described above, BAC engaged in unsafe and unsound banking practices. In the Order, BAC agreed to pay a civil money penalty in the total amount of \$205 million and continue to implement additional improvements in its internal controls, compliance, risk management, and audit programs for the FX activities in order to comply with BAC policies, safe and sound banking practices, and applicable U.S. laws/regulation. Specifically, BAC agreed: (a) BAC shall submit a written plan to improve senior management's oversight of BAC's compliance with applicable U.S. laws/regulations and internal policies in connection with certain wholesale trading and sales activities; (b) BAC shall submit an enhanced written internal controls and compliance program to comply with applicable U.S. laws/regulations with respect to certain wholesale trading and sales activities; (c) BAC shall submit a written plan to improve its compliance risk management program with regard to compliance with applicable U.S. laws/regulations with respect to certain wholesale trading and sales activities; (d) BAC management shall annually conduct a review of compliance policies and procedures applicable to certain wholesale trading and sales activities and their implementation and an appropriate risk-focused sampling of other key controls for certain wholesale trading and sales activities; (e) BAC shall submit an enhanced written internal audit program with respect to compliance with U.S. laws/regulations in certain wholesale trading and sales activities; and (f) BAC shall not in the future directly or indirectly retain any individual as an officer, employee, agent, consultant, or contractor of BAC or of any subsidiary who, based on the investigative record compiled by U.S. authorities, participated in the misconduct underlying the Order, has been subject to formal disciplinary action as a result of BAC's internal disciplinary review or performance review in connection with the conduct, and has either separated from BAC or any subsidiary thereof or had his/her employment terminated in connection with the conduct. In settlement of this matter, BAC consented and agreed to the issuance of the Order, which the FRB has determined to accept and has issued.

#### BOAMS Injunctive Action 11/25/2014

On November 25, 2014, the U.S. District Court for the Western District of North Carolina issued a Final Judgment as to MLPF&S and other entities, including BANA (collectively the "Entities") (the "SEC Final Judgment") in the civil injunctive action for which a complaint was filed by the U.S. Securities and Exchange Commission ("SEC") on August 6, 2013 against the Entities (the "SEC Complaint"). The SEC Complaint alleged that the Entities made material misrepresentations and omissions in connection with the sale of Residential Mortgage-Backed Securities ("RMBS"). Specifically, the SEC Complaint alleged that the Entities failed to disclose the disproportionate concentration of wholesale loans underlying the RMBS as compared to prior RMBS offerings. The SEC Complaint also alleged that the concentration of wholesale loans in the RMBS included higher likelihood that the loans would be subject to material underwriting errors, become severely delinquent, fail early in the life of the loan, or prepay. The SEC Complaint further alleged that the entities violated Regulation S-K and Subpart Regulation AB of the Securities Act of 1933 ("Securities Act") by failing to disclose material characteristics of the pool of loans underlying the RMBS, that the Entities made material misrepresentations and omissions in their public files and in the loan tapes provided to investors and rating agencies, and that Entities not including BANA violated section 5(b)(1) of the Securities Act by failing to file with the SEC certain loan tapes that were provided only to select investors. The Entities consented to the entry of the SEC Final Judgment without admitting or denying the allegations in the SEC Complaint. The SEC Final Judgment states that the Entities are permanently restrained and enjoined from violating Sections 17(a)(2) and 17(a)(3) of the Securities Act, and jointly and severally liable for disgorgement of \$109,220,000, prejudgment interest of \$6,620,000 and a civil penalty of \$109,220,000 (together the "Funds"); the District Court retained jurisdiction over the administration of any distribution of the Funds.

#### BANA OCC Foreign Exchange Settlement 11/11/2014

On November 11, 2014, the OCC issued a Consent Order and a Consent Order for the Assessment of a Civil Money Penalty against BANA related to its foreign exchange (FX) business ("Orders") from 2008 through 2013. The OCC found, and BANA neither admitted nor denied, that BANA had deficiencies in its internal controls and had

engaged in unsafe or unsound banking practices with respect to the oversight and governance of BANA's FX trading business such that the bank failed to detect and prevent certain conduct. Specifically, the OCC found that: a) BANA's compliance risk assessment lacked sufficient granularity and failed to identify the risks related to sales, trading and supervisory employees in that business ("Employee"); b) BANA's transaction monitoring and communications surveillance lacked an adequate analysis of risk-behavior related to Employee market conduct in its wholesale foreign exchange business where it is acting as principal ("FX Trading"); c) BANA's compliance testing procedures were inadequate to measure adherence to its standards of Employee conduct and firm policies applicable to Employee market conduct in FX Trading; and d) BANA's risk assessment and coverage of the FX trading business needed improvement to identify and mitigate compliance risks related to Employee market conduct; e) BANA's customer information controls were inadequate regarding the WM/Reuters order book to prevent the misuse of customer information; f) BANA's risk and profitability reporting was inadequate to identify potential Employee market misconduct in FX Trading; and g) BANA's FX business supervision routines were inadequate because they created "gaps" in the Employee market conduct supervisory framework. In the Orders, BANA agreed to make a payment of a civil money penalty in the total amount of \$250 million. Also, BANA committed (and had already begun) taking all necessary and appropriate steps to remedy the deficiencies and unsafe or unsound practices identified by the OCC and has begun implementing procedures to remediate the practices addressed in the Orders. Specifically, BANA agreed to: a) maintain a board compliance committee responsible for monitoring and coordinating BANA's compliance with the provisions in the Orders; b) submit to the OCC an action plan describing the actions that are necessary and appropriate to achieve compliance with certain aspects of the Orders; c) submit an acceptable oversight and governance written plan to provide for certain management oversight and governance relating to Employee market conduct in FX Trading; d) submit an acceptable compliance risk assessment written plan to provide for a compliance risk assessment sufficiently granular to identify risks related to Employee market conduct in FX Trading; e) submit an acceptable monitoring and surveillance written plan to provide for appropriate monitoring and communications surveillance related to Employee market conduct in FX Trading; f) submit an acceptable compliance testing written plan to provide for appropriate compliance testing related to Employee market conduct in FX Trading; g) submit an acceptable internal audit written plan for the internal audit program to adequately address Employee market conduct in FX Trading; and h) submit an acceptable other trading activities written plan to ensure that BANA proactively uses a risk-based approach to apply Employee market conduct remedial measures in the Orders to other wholesale trading as principal for the BANA and benchmark activities as appropriate and defined in the BANA's written plan.

#### BAC Regulatory Capital Overstatements 9/29/2014

The SEC alleged that BAC, as part of its regulatory capital calculations, failed to deduct certain realized losses on certain structured notes and other financial instruments (the "Notes") issued by Merrill Lynch & Co., Inc. ("ML&Co.") that BAC assumed or acquired as part of its acquisition of ML&Co. and, therefore, BAC overstated its regulatory capital in its Form 10-Q filings from 2009-2014 and in its Form 10-K filings for financial years 2009-2013. The SEC alleged that BAC violated Section 13(b)(2)(A) and (B) of the Exchange Act. On September 19, 2014, BAC, without admitting or denying the SEC's findings, except as to the SEC's jurisdiction over it and the subject matter of the proceedings, agreed to (1) cease and desist from committing or causing any violations and any future violations for Sections 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act, and (2) pay a civil money penalty of \$7,650,000. The SEC noted that BAC self-identified and self-reported the overstatements and the SEC noted that BAC had provided substantial cooperation to the SEC staff. The SEC also noted that BAC had voluntarily undertaken steps to remediate and address, among other things, the inadequate books and records and internal accounting control deficiencies that were the subject of the proceeding.

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The SEC alleged that BAC failed to make required disclosures in the Management's Discussion and Analysis and Results of Operations ("MD&A") sections of periodic filings, related to known uncertainties as to whether certain costs related to loans BAC would ultimately be required to repurchase from certain insurers would have a material effect on BAC's future income from continuing operations. The SEC alleged that BAC violated Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-13 thereunder. BAC agreed to (1) cease and desist from committing or causing any violations and any future violations of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-13 promulgated thereunder; and (2) pay a civil money penalty of \$20 million. In addition, BAC admitted to certain facts set out in an annex to the Administrative Order, acknowledged that its conduct set forth in the annex to the Administrative Order violated the federal securities law and admitted to the SEC's jurisdiction over it and the subject matter of the proceedings.

**NOTE:** In addition, Bank of America Corporation and certain of its affiliates, including MLPF&S and BANA, have been involved in a number of civil proceedings and regulatory actions which concern matters arising in connection with the conduct of its business. Certain of such proceedings have resulted in findings of violations of federal or state securities laws. Such proceedings are reported and summarized in the MLPF&S Form BD as filed with the SEC, which descriptions are hereby incorporated by reference.

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JOINT FILING AGREEMENT

Pursuant to and in accordance with the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations thereunder, each party hereto hereby agrees to the joint filing, on behalf of each of them, of any filing required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, restatement, supplement, and/or exhibit thereto) with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and further agrees to the filing, furnishing, and/or incorporation by reference of this agreement as an exhibit thereto. This agreement shall remain in full force and effect until revoked by any party hereto in a signed writing provided to each other party hereto, and then only with respect to such revoking party.

IN WITNESS WHEREOF, each party hereto, being duly authorized, has caused this agreement to be executed and effective as of the date set forth below.

Date: August 30, 2019

BANK OF AMERICA CORPORATION

By: /s/ Ally Pecarro  
Name: Ally Pecarro  
Title: Attorney-in-fact

BANC OF AMERICA PREFERRED FUNDING CORPORATION

By: /s/ Michael Jentis  
Name: Michael Jentis  
Title: Authorized Signatory

**BANK OF AMERICA CORPORATION****LIMITED POWER OF ATTORNEY**

**BANK OF AMERICA CORPORATION**, a Delaware corporation (the "Corporation"), does hereby make, constitute, and appoint each of Kim Louise Oakley Heslop, Kelvin Kwok, Ronnie Ojera, Ally Pecarro, and Tolu Tade as an attorney-in-fact for the Corporation acting for the Corporation and in the Corporation's name, place and stead, for the Corporation's use and benefit, to bind the Corporation by their execution of those agreements, forms and documents related specifically to Section 13 and Section 16 of the Securities Exchange Act of 1934, and other large shareholder and short position regulatory reporting requirements in other jurisdictions.

Any documents executed by an attorney-in-fact in accordance with this Limited Power of Attorney shall fully bind and commit the Corporation and all other parties to such documents may rely upon the execution thereof by the attorney-in fact as if executed by the Corporation and as the true and lawful act of the Corporation.

This Limited Power of Attorney shall automatically terminate as to the authority of Kim Louise Oakley Heslop, Kelvin Kwok, Ronnie Ojera, Ally Pecarro, and Tolu Tade upon the earlier of the attorney-in-fact's resignation or termination from or transfer out of the Compliance Department; however; any such resignation, termination or transfer shall have no impact on any documents or instruments executed by any attorney-in-fact named above for the Corporation prior to such resignation, termination or transfer.

This Limited Power of Attorney shall revoke the Limited Power of Attorney executed by the Corporation on January 12, 2016; however such revocation shall have no impact on any actions taken pursuant to that Power of Attorney.

**IN WITNESS WHEREOF**, this Power of Attorney has been executed and delivered by the Corporation to each Attorney-in-Fact on this 29<sup>th</sup> day of November, 2018.

**BANK OF AMERICA CORPORATION**

By: /s/ Allison L. Gilliam  
Name: Allison L. Gilliam  
Title: Senior Vice President and Assistant Secretary

(Corporate Seal)

# **VMTP Purchase Agreement**

**AllianceBernstein National Municipal Income Fund, Inc.  
as Issuer**

**and**

**Banc of America Preferred Funding Corporation  
as Purchaser**

**August 28, 2019**

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## CONTENTS

	PAGE
ARTICLE I DEFINITIONS	1
1.1 Incorporation of Certain Definitions by Reference and Interpretation	6
ARTICLE II PURCHASE AND TRANSFERS, COSTS AND EXPENSES; ADDITIONAL FEE	6
2.1 Purchase and Transfer of the 2019 VMTP Shares	6
2.2 Fees	8
2.3 Operating Expenses	8
2.4 Additional Fee for Failure to Comply with Reporting Requirement or Registration Rights Failure	8
ARTICLE III CONDITIONS TO EFFECTIVE DATE	9
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE ISSUER	10
4.1 Existence	10
4.2 Authorization; Contravention	11
4.3 Binding Effect	11
4.4 Financial Information	11
4.5 Litigation	11
4.6 Consents	12
4.7 Incorporation of Additional Representations and Warranties	12
4.8 Complete and Correct Information	12
4.9 Information Statement	12
4.10 1940 Act Registration	13
4.11 Effective Leverage Ratio; Asset Coverage	13
4.12 Credit Quality	13
4.13 Due Diligence	13
4.14 Certain Fees	13
4.15 Eligible Assets	13
ARTICLE V REPRESENTATIONS AND WARRANTIES OF THE PURCHASER	14
5.1 Existence	14
5.2 Authorization; Contravention	14
5.3 Binding Effect	14
5.4 Restricted Securities; Own Account	14
5.5 Litigation	15
5.6 Consents	15
5.7 Purchaser Status	15
5.8 Certain Transactions	15
5.9 Certain Fees	15
5.10 Experience to the Purchaser	15
5.11 Due Diligence	16
ARTICLE VI COVENANTS OF THE ISSUER	16
6.1 Information	16
6.2 No Amendment or Certain Other Actions Without Consent of the Purchaser	18
6.3 Maintenance of Existence	19
6.4 Tax Status of the Issuer	19
6.5 Payment Obligations	19
6.6 Compliance With Law	19
6.7 Maintenance of Approvals: Filings, Etc.	19
6.8 Inspection Rights	19
6.9 Litigation, Etc.	20
6.10 1940 Act Registration	20
6.11 Credit Quality	20
6.12 Maintenance of Effective Leverage Ratio	20
6.13 Redemption and Paying Agent	21
6.14 Cooperation in the Sale of the 2019 VMTP Shares	21
6.15 Use of Proceeds	21
6.16 Securities Depository	21
6.17 Future Agreements	21
6.18 Eligible Assets	22
ARTICLE VII MISCELLANEOUS	22
7.1 Notices	22

7.2	No Waivers	23
7.3	Expenses and Indemnification	23
7.4	Amendments and Waivers	26
7.5	Successors and Assigns	26
7.6	Term of this Agreement	27
7.7	Governing Law	27
7.8	Waiver of Jury Trial	27
7.9	Counterparts	27
7.10	Beneficiaries	27
7.11	Entire Agreement	27
7.12	Relationship to the Articles Supplementary	28
7.13	Confidentiality	28
7.14	Severability	29
7.15	Consent Rights of the Majority Participants to Certain Actions	29
SCHEDULE 1		Schedule 1-1
SCHEDULE 2		Schedule 2-1
EXHIBIT A	FORMS OF OPINIONS OF COUNSEL FOR THE ISSUER	A-1
EXHIBIT A-1	FORM OF CORPORATE AND 1940 ACT OPINION	A-1-1
EXHIBIT A-2	FORM OF TAX OPINION	A-2-1
EXHIBIT A-3	FORM OF LOCAL COUNSEL OPINION	A-3-1
EXHIBIT A-4	FORM OF NEGATIVE ASSURANCE LETTER	A-4-1
EXHIBIT B	ELIGIBLE ASSETS	B-1
EXHIBIT C	TRANSFeree CERTIFICATE	C-1
EXHIBIT D	INFORMATION TO BE PROVIDED BY THE ISSUER	D-1
EXHIBIT E	ADDITIONAL REPRESENTATIONS AND WARRANTIES	E-1

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This VMTP PURCHASE AGREEMENT dated as of August 28, 2019, (this "Agreement") is by and between:

ALLIANCEBERNSTEIN NATIONAL MUNICIPAL INCOME FUND, INC., a closed-end management investment company registered with the Securities and Exchange Commission that is organized as a Maryland corporation, as issuer (the "Fund" or the "Issuer"), and

BANC OF AMERICA PREFERRED FUNDING CORPORATION, a Delaware corporation, including its successors by merger or operation of law ("BAPFC"), as the purchaser of the 2019 VMTP Shares (the "Purchaser") pursuant to this Agreement.

WHEREAS, the Fund has authorized the issuance pursuant to the Articles Supplementary (as defined below) to the Purchaser of the 2019 Variable Rate MuniFund Term Preferred Shares issued by the Fund, as set forth on Schedule 1 hereto, which are subject to this Agreement (the "2019 VMTP Shares");

WHEREAS, as an inducement to the Purchaser to purchase the 2019 VMTP Shares, the Issuer now desires to enter into this Agreement to set forth certain representations, warranties, covenants and agreements regarding the Issuer and the 2019 VMTP Shares; and

WHEREAS, as an inducement to the Issuer to issue and sell the 2019 VMTP Shares, the Purchaser desires to enter into this Agreement to set forth certain representations, warranties, covenants and agreements regarding the Purchaser and the 2019 VMTP Shares.

NOW, THEREFORE, in consideration of the respective agreements contained herein, the parties hereto agree as follows:

## ARTICLE I DEFINITIONS

The following terms, as used herein, have the following meanings:

"1940 Act" means the Investment Company Act of 1940, as amended.

"2015 VMTP Shares" means the Variable Rate MuniFund Term Preferred Shares, \$0.001 par value per share, classified and designated pursuant to Articles Supplementary accepted for record by the State Department of Assessment and Taxation of Maryland on August 31, 2015. "2018 VMTP Shares" means the 2018 Variable Rate MuniFund Term Preferred Shares, \$0.001 par value per share, classified and designated pursuant to Articles Supplementary accepted for record by the State Department of Assessment and Taxation of Maryland on December 18, 2018.

"2019 VMTP Shares" has the meaning set forth in the preamble to this Agreement.

"Additional Amount Payment" has the meaning set forth in the Articles Supplementary.

"Agreement" means this VMTP Purchase Agreement, dated as of August 28, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

"AllianceBernstein Persons" means the Investment Adviser or any affiliated person (as defined in Section 2(a)(3) of the 1940 Act) of the Investment Adviser (other than the Issuer, in the case of a redemption or purchase of the 2019 VMTP Shares which are to be cancelled within 10 days of purchase by the Issuer).

"Applicable Sections" has the meaning set forth in Section 2.1(c) of this Agreement.

"APS" means the Issuer's outstanding Auction Preferred Shares.

"Articles Supplementary" means the Articles Supplementary containing the terms of the 2019 VMTP Shares, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof and hereof.

"Asset Coverage" has the meaning set forth in the Articles Supplementary.

"Banks" has the meaning set forth in Section 2.1(b) of this Agreement.

"Board of Directors" has the meaning set forth in the Articles Supplementary.

"Business Day" has the meaning set forth in the Articles Supplementary.

"Bylaws" has the meaning set forth in the Articles Supplementary.

"Charter" has the meaning set forth in the Articles Supplementary.

"Code" has the meaning set forth in the Articles Supplementary.

"Common Shares" has the meaning set forth in the Articles Supplementary.

"Custodian" has the meaning set forth in the Articles Supplementary.

"Date of Original Issue", with respect to the 2019 VMTP Shares, means the date on which the Issuer initially issued such 2019 VMTP Shares.

"Deposit Securities" has the meaning set forth in the Articles Supplementary.

"Derivative Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, repurchase transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement, including any such obligations or liabilities under any such master agreement.

"Designated Owner" has the meaning set forth in the Articles Supplementary.

"Dividend Payment Date" has the meaning set forth in the Articles Supplementary.

**"Dividend Rate"** has the meaning set forth in the Articles Supplementary.

**"Effective Date"** means the Date of Original Issue of the 2019 VMTP Shares subject to the satisfaction or waiver of the conditions specified in Section 3.

**"Effective Leverage Ratio"** has the meaning set forth in the Articles Supplementary.

**"Electronic Means"** has the meaning set forth in the Articles Supplementary.

**"Eligible Assets"** means the instruments in which the Issuer may invest as described in Exhibit B to this Agreement, which may be amended from time to time with the prior written consent of the Purchaser.

**"Failure"** has the meaning set forth in Section 2.4.

**"Fee Rate"** means initially 0.10% per annum, which shall be subject to increase by 0.10% per annum for each Week in respect of which any Failure has occurred and is continuing.

**"Force Majeure Exception"** means any failure or delay in the performance of the Issuer's reporting obligation pursuant to Section 2.4 arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including acts of God; earthquakes; flood; terrorism; wars and other military disturbances; sabotage; epidemics; riots; loss or malfunctions of utilities, computer (hardware or software) or communication services; accidents; acts of civil or military authority and governmental action. The Issuer shall use commercially reasonable efforts to commence performance of its obligations during any of the foregoing circumstances.

**"Holder"** has the meaning set forth in the Articles Supplementary.

The word **"including"** means "including without limitation."

**"Indemnified Persons"** means, the Purchaser and its affiliates and directors, officers, partners, employees, agents, representatives and control persons, entitled to indemnification by the Issuer under Section 7.3.

**"Information Statement"** means the Information Statement of the Issuer relating to the offering and sale of the 2019 VMTP Shares dated August 28, 2019, as may be amended, revised or supplemented from time to time.

**"Investment Adviser"** means AllianceBernstein L.P., or any successor company or entity.

**"Issuer"** has the meaning set forth in the preamble to this Agreement.

**"Liquidation Preference"**, with respect to a given number of 2019 VMTP Shares, means \$25,000 times that number.

**"Majority Participants"** means the Holder(s) of more than 50% of the Outstanding 2019 VMTP Shares.

**"Managed Assets"** means the Issuer's net assets, including assets attributable to any principal amount of any borrowings (including the issuance of commercial paper or notes) or preferred stock outstanding. For the avoidance of doubt, assets attributable to borrowings includes the portion of the Issuer's assets in a tender option bond trust of which the Issuer owns the residual interest (without regard to the value of the residual interest to avoid double counting).

**"Market Value"** has the meaning set forth in the Articles Supplementary.

**"Material Adverse Effect"** means a material adverse effect upon (i) the ability of the Issuer to perform its obligations under this Agreement or (ii) the source for payment of the Liquidation Preference of, or dividends on, the 2019 VMTP Shares.

**"NRSRO"** has the meaning set forth in the Articles Supplementary.

**"Optional Redemption Premium"** has the meaning set forth in the Articles Supplementary.

The word **"or"** is used in its inclusive sense.

**"Other Rating Agency"** means, at any time, each NRSRO, if any, other than S&P then providing a rating for the 2019 VMTP Shares pursuant to the request of the Issuer.

**"Other Rating Agency Guidelines"** means the guidelines provided by each Other Rating Agency, as may be amended from time to time, in connection with the Other Rating Agency's rating of the 2019 VMTP Shares.

**"Outstanding"** has the meaning set forth in the Articles Supplementary.

**"Person"** has the meaning set forth in the Articles Supplementary.

**"Preferred Shares"** has the meaning set forth in the Articles Supplementary.

**"Purchase Price"** means, in respect of the 5,754 2019 VMTP Shares sold to the Purchaser, U.S. \$143,850,000.

**"Purchaser"** has the meaning set forth in the preamble to this Agreement.

**"QIB"** means a **"qualified institutional buyer"** as defined in Rule 144A(a) under the Securities Act.

**"Rate Period"** has the meaning set forth in the Articles Supplementary.

**"Rating Agency"** means each of S&P (if S&P is then rating 2019 VMTP Shares), and any Other Rating Agency (if such Other Rating Agency is then rating 2019 VMTP Shares at the request of the Issuer).

**"Rating Agency Guidelines"** means the S&P Guidelines and any Other Rating Agency Guidelines as they exist from time to time.

**"Redemption and Paying Agent"** means Computershare, Inc., or with the prior written consent of the Purchaser (which consent shall not be unreasonably withheld), any successor Person, which has entered into an agreement with the Issuer to act in such capacity as the Issuer's tender agent, transfer agent, registrar,

dividend disbursing agent, paying agent and redemption price disbursing agent and calculation agent in connection with the payment of regularly scheduled dividends with respect to 2019 VMTP Shares.

"**Registered Investment Company**" has the meaning set forth in Section 2.1(b) of this Agreement.

"**Registration Rights Agreement**" means the registration rights agreement entered into between the Issuer and the Purchaser with respect to the 2019 VMTP Shares.

"**Registration Rights Failure**" means any (i) failure by the Issuer to file a Registration Statement with the Securities and Exchange Commission relating to such of the Registrable Securities (as defined in the Registration Rights Agreement, but excluding any that are properly excluded pursuant to Section 3.3(c) or (d) of the Registration Rights Agreement) which the Issuer has been properly requested to register under Section 3.1 of the Registration Rights Agreement within 30 calendar days (or, if the 30th calendar day shall not be a Business Day, the next succeeding Business Day) of the later of (a) the date on which the holders of such Registrable Securities are required to give written notice to the Issuer of their intent to register such Registrable Securities pursuant to Section 3.1 of the Registration Rights Agreement or (b) if properly exercised by the Issuer, the end of any deferral period specified in accordance with the provisions of Section 3.2 of the Registration Rights Agreement, or (ii) failure by the Issuer to reply to any written comments on such Registration Statement received by the Issuer from the staff of the Securities and Exchange Commission (it being understood that the reply referenced herein shall not require the Issuer to accept or agree with any comment, in whole or in part) within 30 calendar days (or, if the 30th calendar day shall not be a Business Day, the next succeeding Business Day) of receipt thereof by the Issuer.

"**Related Documents**" means this Agreement, the Charter, the Articles Supplementary, the Registration Rights Agreement, the 2019 VMTP Shares and the Bylaws.

"**Reporting Date**" has the meaning set forth in Section 6.1(o).

"**Reporting Failure**" has the meaning set forth in Section 2.4.

"**S&P**" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, and any successor or successors thereto.

"**S&P Guidelines**" means the guidelines, as may be amended from time to time, in connection with S&P's ratings of the 2019 VMTP Shares, and includes the criteria described in Methodology And Assumptions for Market Value Securities published by S&P September 17, 2013, as may be amended at S&P's sole discretion, and any other guidelines deemed relevant by S&P.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"**Securities Depository**" means The Depository Trust Company, New York, New York, and any substitute for or successor to such securities depository that shall maintain a book-entry system with respect to the 2019 VMTP Shares.

"**Week**" means a period of seven consecutive calendar days.

"**written**" or "**in writing**" means any form of written communication, including communication by means of facsimile, telex, telecopier or electronic mail.

## 1.1 Incorporation of Certain Definitions by Reference and Interpretation

Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor (including by incorporation by reference) in the Related Documents.

## ARTICLE II PURCHASE AND TRANSFERS, COSTS AND EXPENSES; ADDITIONAL FEE

### 2.1 Purchase and Transfer of the 2019 VMTP Shares

- (a) On the Effective Date, BAPFC will acquire 5,754 2019 VMTP Shares sold on initial issuance in a transaction (which, based upon the representations of the Issuer and the Purchaser herein, is exempt from registration under the Securities Act) by payment of the Purchase Price in the following amounts in immediately available funds to the Issuer through the account of its agent at the Securities Depository: \$143,850,000 to be paid by the Purchaser.
- (b) The Purchaser agrees that it may sell, transfer or otherwise dispose of the 2019 VMTP Shares in compliance with the Securities Act and applicable state securities laws only in whole shares and only (i)(1) to Persons that it reasonably believes are QIBs that are: (a) registered closed-end management investment companies, the shares of which are traded on a national securities exchange and registered open-end management investment companies, in each case, that (X) are either sponsored or managed by an entity listed on Schedule 2 of this Purchase Agreement or any other entity that is controlled by, controlling or under common control with an entity listed on Schedule 2 of this Purchase Agreement and (Y) invest primarily in municipal obligations (each, a "**Registered Investment Company**"); (b) banks or entities that are 100% direct or indirect subsidiaries of banks' publicly traded parent holding companies (collectively, "**Banks**"); or (c) insurance companies, in each case, pursuant to Rule 144A or another available exemption from registration under the Securities Act, in a manner not involving any public offering within the meaning of Section 4(a)(2) of the Securities Act, (2) to tender option bond trusts (or other similar investment vehicles) in which all investors are Persons that the Purchaser reasonably believes are QIBs that are Registered Investment Companies, Banks or insurance companies (or, in the case of a tender option bond trust (or other similar investment vehicles) in which the Holder or an affiliate of the Holder retains a residual interest), or (3) to other investors with the prior written consent of the Issuer and (ii) unless the prior written consent of each of the Issuer and the Majority Participants has been obtained, not to AllianceBernstein Persons if such AllianceBernstein Persons would, after such sale and transfer, own more than 20% of the Outstanding 2019 VMTP Shares. Any transfer in violation of the foregoing restrictions shall be void *ab initio*. In connection with any transfer of the 2019 VMTP Shares, each transferee (including, in the case of a tender option bond trust (or other similar investment vehicles), the depositor or trustee or other Person thereunder acting on behalf of such transferee) will be required to deliver to the Issuer a transferee certificate set forth as Exhibit C to this Agreement no later than the date of the transfer. The foregoing restrictions on transfer shall not apply to any 2019 VMTP Shares registered under the Securities Act pursuant to the Registration Rights Agreement or any subsequent transfer of such registered 2019 VMTP Shares thereafter.

- (c) In the event that the Purchaser transfers, in accordance with Section 2.1(b), 2019 VMTP Shares to a tender option bond trust (or other similar investment vehicles) in which the Purchaser retains a residual interest, for so long as no event has occurred that results in the termination of such tender option bond trust (or other similar investment vehicles), for purposes of each of the Applicable Sections (as defined below) that requires, permits or provides for (i) notice or the delivery of information to or (ii) voting of the 2019 VMTP Shares or the giving of any consent by or (iii) payment of fees, in each case, to the Purchaser or the Majority Participants, the Purchaser, and not such tender option bond trust (or other similar investment vehicles), shall be deemed to be the actual owner of such 2019 VMTP Shares. For the avoidance of doubt, the deemed ownership provided for in this Section 2.1(c) shall be limited to the following sections of this Agreement: 2.1(b), 2.4, 6.1, 6.2, 6.8, 6.9, 6.12, 6.14, 6.17, 7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 7.8, 7.10, 7.12 and 7.15 (collectively, the "**Applicable Sections**"). The deemed ownership provided for in this Section 2.1(c) shall last until the earliest of (A) the termination of such tender option bond trust (or other similar investment vehicles); (B) the agreement by the Issuer and the Purchaser to terminate such deemed ownership; and (C) with respect to some or all of the Applicable Sections, the good-faith determination by the Purchaser that such deemed ownership has adverse tax, legal or other regulatory consequences or is otherwise no longer consistent with applicable law.
- (d) Anything herein to the contrary notwithstanding, except with respect to the deemed ownership provided for above in respect of the Applicable Sections, the tender option bond trust (or other similar investment vehicles) to which 2019 VMTP Shares are transferred and each of the beneficial owners thereof shall retain all of its other rights in respect of the Issuer and the 2019 VMTP Shares pursuant to this Agreement and the Articles Supplementary or under law, including, for the avoidance of doubt, its rights under any of the Applicable Sections to the extent necessary for the protection or exercise of such other rights retained pursuant to this Section 2.1(d) or that are otherwise applicable as a result of the exercise of such other rights.

## 2.2 Fees

- (a) On the Effective Date, the Purchaser and Issuer shall pay the reasonable fees and expenses of the Purchaser's single outside counsel in connection with (i) the negotiation and documentation of the transactions contemplated by this Agreement and (ii) the initial organization and set up of a voting trust to be formed with respect to the 2019 VMTP Shares. Such payments shall be made by the Purchaser and Issuer in the following amounts: (i) the Purchaser will pay the first \$20,000 of such fees and expenses and (ii) the Issuer shall pay any amount of fees and expenses that are in excess of \$20,000.
- (b) The Issuer shall pay up to \$10,500 of the fees and expenses incurred by the Purchaser in connection with the initial organization and set up of the voting trust to be formed with respect of the 2019 VMTP Shares.
- (c) With respect to the fees and expenses described in subsection (b) of this Section 2.2, the Issuer will pay such fees and expenses within thirty (30) days of receipt of the associated invoice. For avoidance of doubt, the Issuer's responsibilities with respect to the fees and expenses described in subsections (a)(ii) and (b) are exclusive of each other.

## 2.3 Operating Expenses

The Issuer shall pay amounts due to be paid by it hereunder (including any incidental expenses but not including redemption or dividend payments on the 2019 VMTP Shares) as operating expenses.

## 2.4 Additional Fee for Failure to Comply with Reporting Requirement or Registration Rights Failure

- (a) For so long as the Purchaser is a Holder or Designated Owner of any Outstanding 2019 VMTP Shares, if the Issuer fails to comply with the reporting requirements set forth in Sections 6.1(o) and 6.1(p) (except as a result of a *Force Majeure* Exception) and such failure is not cured within five Business Days after written notification to the Issuer by the Purchaser of such failure (a "**Reporting Failure**") or a Registration Rights Failure occurs, and such failure is not cured within five Business Days after written notification to the Issuer by the Purchaser of such failure, the Issuer shall pay to the Purchaser on the Dividend Payment Date occurring in the month immediately following a month in which either such Reporting Failure or Registration Failure (either, a "**Failure**") continues a fee, calculated in respect of each Week (or portion thereof) during such month in respect of a Failure and beginning on the date of such Failure, equal to the product of (i) the Fee Rate, times (ii) the aggregate average daily Liquidation Preference of the 2019 VMTP Shares held by the Purchaser during such Week or portion thereof, times (iii) the quotient of the number of days in such Week or portion thereof divided by the number of calendar days in the year in which such Week or portion thereof occurs. If such fee is an "other distribution" pursuant to the Articles Supplementary, such fee shall be paid pursuant to and in accordance with the Articles Supplementary, including Section 2.2(c) of the Articles Supplementary. Notwithstanding the foregoing, in no event shall (i) the fee payable pursuant to this Section 2.4 hereunder for any Week plus the Applicable Spread on the 2019 VMTP Shares for such Week exceed an amount (exclusive of any Additional Amount Payment) equal to the product of (x) 15%, times (y) the aggregate average daily Liquidation Preference of the 2019 VMTP Shares held by the Purchaser during such Week or portion thereof, times (z) the quotient of the number of days in such Week or portion thereof divided by the number of calendar days in the year in which such Week or portion thereof occurs; (ii) the fee payable pursuant to this Section 2.4 for any Week plus the amount of dividends payable at the Dividend Rate for the 2019 VMTP Shares for such Week exceed an amount equal to the product of (aa) 15%, times (bb) the aggregate average daily Liquidation Preference of the 2019 VMTP Shares held by the Purchaser during such Week or portion thereof, times (cc) the quotient of the number of days in such Week or portion thereof divided by the number of calendar days in the year in which such Week or portion thereof occurs; or (iii) the Issuer be required to calculate or pay a fee in respect of more than one Failure in any Week.
- (b) Notwithstanding the foregoing, in no event shall (i) the fee payable pursuant to this Section 2.4 for any day plus the Dividend Rate for the 2019 VMTP Shares for such day exceed 15%, (ii) the Issuer be required to calculate and pay a fee, in respect of more than one Reporting Failure in any week, or (iii) the fee payable pursuant to this Section 2.4 be payable with respect to any portion of a Week in which such Failure is not continuing.

## ARTICLE III CONDITIONS TO EFFECTIVE DATE

It shall be a condition to the Effective Date that each of the following conditions shall have been satisfied or waived as of or on such date, and upon such satisfaction or waiver, this Agreement shall be effective:

- (a) this Agreement shall have been duly executed and delivered by the parties hereto;

- (b) the 2019 VMTP Shares shall have a long-term issue credit rating of AAA (or its equivalent) from at least one NRSRO, expected to be S&P, on the Effective Date;
- (c) receipt by the Purchaser of executed originals, or copies certified by a duly authorized officer of the Issuer to be in full force and effect and not otherwise amended, of all Related Documents, as in effect on the Effective Date, and an incumbency certificate with respect to the authorized signatories thereto;
- (d) receipt by the Purchaser of opinions of counsel for the Issuer, substantially to the effect of Exhibit A;
- (e) except as disclosed in the Information Statement, there shall not be any pending or threatened material litigation (unless such pending or threatened litigation has been determined by the Purchaser to be acceptable);
- (f) the fees and expenses and all other amounts payable on the Effective Date pursuant to Section 2.2 hereof shall have been paid;
- (g) the Purchaser, in its reasonable discretion, shall be satisfied that no change in law, rule or regulation (or its interpretation or administration), in each case, shall have occurred which will adversely affect the consummation of the transaction contemplated by this Agreement;
- (h) there shall have been delivered to the Purchaser any additional documentation and financial information as it deems relevant; and
- (i) there shall have been delivered to the Purchaser such information and copies of documents, approvals (if any) and records certified, where appropriate, of corporate proceedings as the Purchaser may have requested relating to the Issuer's entering into and performing this Agreement and the other Related Documents to which the Issuer is a party, and the transactions contemplated hereby and thereby.

The Issuer and the Purchaser agree that consummation of the purchase and sale of the 2019 VMTP Shares pursuant to this Agreement shall constitute acknowledgment that the foregoing conditions have been satisfied or waived.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE ISSUER**

The representations and warranties set out in this Article IV are given hereunder by the Issuer to the Purchaser as of the Effective Date.

##### **4.1 Existence**

The Issuer is validly existing and in good standing as a corporation under the laws of the State of Maryland, with full right and power to issue the 2019 VMTP Shares and to execute, deliver and perform its obligations under this Agreement and each Related Document, except where the failure to have such right and power could not reasonably be expected to give rise to a Material Adverse Effect.

##### **4.2 Authorization; Contravention**

The execution, delivery and performance by the Issuer of this Agreement and each Related Document are within the Issuer's powers, have been duly authorized by all necessary action, require no action by or in respect of, or filing with, any governmental body, agency or official except such as have been taken or made and do not violate or contravene, or constitute a default under, any provision of applicable law, Charter, ordinance or regulation or of any material agreement, judgment, injunction, order, decree or other instrument binding upon the Issuer or cause the creation or imposition of any lien or encumbrance on any asset of the Issuer.

##### **4.3 Binding Effect**

Each of this Agreement and the Registration Rights Agreement constitutes a valid and binding agreement of the Issuer, enforceable in accordance with its terms except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) the availability of equitable remedies may be limited by equitable or public policy principles of general applicability, it being understood that the enforceability of indemnification provisions may be subject to limitations imposed under applicable securities laws. The 2019 VMTP Shares have been duly authorized and, when issued upon payment therefor by the Purchaser as contemplated by this Agreement, will be validly issued by the Issuer and fully paid and nonassessable.

##### **4.4 Financial Information**

The most recent publicly available financial statements of the Issuer, and the auditors' report with respect thereto, copies of which have heretofore been furnished to the Purchaser, fairly present in all material respects the financial condition of the Issuer, at such date and for such period, and were prepared in accordance with accounting principles generally accepted in the United States, consistently applied (except as required or permitted and disclosed). Since the date of such financial statements, there has been no material adverse change in the condition (financial or otherwise) or operations of the Issuer that could reasonably be expected to have a Material Adverse Effect, except as disclosed in the Information Statement, other than changes in the general economy or changes affecting the market for municipal securities or investment companies generally. Any financial, budget and other projections furnished to the Purchaser were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections.

##### **4.5 Litigation**

Except as disclosed in the Information Statement or in a schedule delivered to the Purchaser prior to the Effective Date, no action, suit, proceeding or investigation is pending or (to the best knowledge of the Issuer) overtly threatened in writing against the Issuer in any court or before any governmental authority that could reasonably be expected to have a Material Adverse Effect.

#### **4.6 Consents**

All consents, licenses, approvals, validations and authorizations of, and registrations, validations or declarations by or with, any court or any governmental agency, bureau or agency required to be obtained by the Issuer in connection with the execution, delivery, performance, validity or enforceability of this Agreement and the other Related Documents (including the 2019 VMTP Shares) by or against the Issuer have been obtained and are in full force and effect, except to the extent that the failure to make or obtain the same could not reasonably be expected to give rise to a Material Adverse Effect.

#### **4.7 Incorporation of Additional Representations and Warranties**

As of the Effective Date, the Issuer hereby makes to the Purchaser the representations and warranties included in Exhibit E hereto, which representations and warranties are hereby incorporated by reference herein.

#### **4.8 Complete and Correct Information**

All information, reports and other papers and data with respect to the Issuer furnished to the Purchaser by the Issuer (other than financial information, financial statements, budgets and projections, which are covered solely by Section 4.4 of this Agreement) were, at the time the same were so furnished, complete and correct in all material respects. No fact is known to the Issuer that materially and adversely affects or in the future may (so far as it can reasonably foresee) materially and adversely affect the 2019 VMTP Shares, or the Issuer's ability to repay when due its obligations under this Agreement, any of the 2019 VMTP Shares and the Related Documents that has not been set forth in the Information Statement or in the financial information and other documents referred to in Section 4.4 or this Section 4.8 or in such information, reports, papers and data otherwise made available or disclosed in writing to the Purchaser. Taken as a whole, the documents furnished and statements made by the Issuer in connection with the negotiation, preparation or execution of this Agreement and the Related Documents do not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

#### **4.9 Information Statement**

The Information Statement, true copies of which have heretofore been delivered to the Purchaser, when considered together with this Agreement and the other information disclosed in writing to the Purchaser prior to the Effective Date in connection with this Agreement, does not contain any untrue statement of a material fact and such Information Statement does not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

#### **4.10 1940 Act Registration**

The Issuer is duly registered as a closed-end management investment company under the 1940 Act and such registration is in full force and effect.

#### **4.11 Effective Leverage Ratio; Asset Coverage**

As of the Effective Date, the Issuer is in compliance with the Effective Leverage Ratio and the Asset Coverage as required by Section 2.4 of the Articles Supplementary.

In connection with calculating the Effective Leverage Ratio, the Issuer's total assets and accrued liabilities reflect the positive or negative net obligations of the Issuer under each Derivative Contract determined in accordance with the Issuer's valuation policies.

#### **4.12 Credit Quality**

As of the Effective Date, the Issuer (i) has invested at least 80% of its Managed Assets in investment grade quality municipal securities that, at the time of investment, were rated within the four highest grades (Baa or BBB or better) by at least one of the NRSROs rating such securities or were unrated but judged to be of comparable quality by the Investment Adviser; and (ii) has invested up to 20% of its Managed Assets in municipal securities that at the time of investment were rated below investment grade or were unrated but judged to be of comparable quality by the Investment Adviser, provided that the Issuer has invested no more than 10% of the Issuer's Managed Assets in municipal securities that, at the time of investment, were rated below B3/B- by an NRSRO or that were unrated but judged to be of comparable quality by the Investment Adviser.

#### **4.13 Due Diligence**

The Issuer understands that nothing in this Agreement, the Information Statement, or any other materials presented to the Issuer in connection with the purchase and sale of the 2019 VMTP Shares constitutes legal, tax or investment advice from the Purchaser. The Issuer has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its sale of the 2019 VMTP Shares.

#### **4.14 Certain Fees**

The Issuer acknowledges that, other than the fees and expenses payable pursuant to this Agreement, no brokerage or finder's fees or commissions are or will be payable by the Issuer or, to the Issuer's knowledge, by the Purchaser to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by this Agreement.

#### **4.15 Eligible Assets**

As of the Effective Date, the Issuer owns only Eligible Assets, as described in Exhibit B to this Agreement.

### **ARTICLE V REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser represents and warrants with respect to itself, as of the date hereof and as of the Effective Date to the Issuer as follows:



## **5.1 Existence**

The Purchaser is validly existing and in good standing as a corporation under the laws of the State of Delaware, and the Purchaser has full right and power to purchase the 2019 VMTP Shares and to execute, deliver and perform its obligations under this Agreement and each Related Document to which it is a party, except where the failure to have such right and power could not reasonably be expected to give rise to a Material Adverse Effect.

## **5.2 Authorization; Contravention**

The execution, delivery and performance by the Purchaser of this Agreement and each Related Document to which it is a party are within the Purchaser's powers, have been duly authorized by all necessary action, require no action by or in respect of, or filing with, any governmental body, agency or official except such as have been taken or made, and do not violate or contravene, or constitute a default under, any provision of applicable law, charter, ordinance or regulation or of any material agreement, judgment, injunction, order, decree or other instrument, in each case applicable to or binding upon the Purchaser.

## **5.3 Binding Effect**

Each of this Agreement and the Registration Rights Agreement constitutes a valid and binding agreement of the Purchaser, enforceable in accordance with its terms except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) the availability of equitable remedies may be limited by equitable or public policy principles of general applicability, it being understood that the enforceability of indemnification provisions may be subject to limitations imposed under applicable securities laws.

## **5.4 Restricted Securities; Own Account**

The Purchaser understands that the 2019 VMTP Shares are "restricted securities" as defined in Rule 144 promulgated under the Securities Act and have not been registered under the Securities Act or any applicable state securities laws and are subject to restrictions on the sale and transferability applicable to restricted securities. The Purchaser is acquiring the 2019 VMTP Shares as principal for its own account and not with a view to or for the purpose of distributing or reselling such securities or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such 2019 VMTP Shares in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such 2019 VMTP Shares in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting the Purchaser's right to register the 2019 VMTP Shares under the Securities Act pursuant to the Registration Rights Agreement or otherwise transfer the 2019 VMTP Shares in compliance with the transfer limitations of this Agreement in compliance with applicable federal and state securities laws).

## **5.5 Litigation**

Except as disclosed in a schedule delivered to the Issuer prior to the Effective Date, no action, suit, proceeding or investigation is pending or (to the best knowledge of the Purchaser) overtly threatened in writing against the Purchaser in any court or before any governmental authority in any way contesting or, if decided adversely, would affect the validity of this Agreement.

## **5.6 Consents**

All consents, licenses, approvals, validations and authorizations of, and registrations, validations or declarations by or with, any court or any governmental agency, bureau or agency required to be obtained by the Purchaser in connection with the execution, delivery, performance, validity or enforceability of this Agreement by or against the Purchaser and the purchase of the 2019 VMTP Shares have been obtained and are in full force and effect, except to the extent that the failure to make or obtain the same could not reasonably be expected to give rise to a Material Adverse Effect.

## **5.7 Purchaser Status**

At the time the Purchaser was offered the 2019 VMTP Shares, it was, and as of the Effective Date it is: (i) an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act and (ii) a QIB.

## **5.8 Certain Transactions**

Other than consummating the transactions contemplated by this Agreement, the Purchaser has not directly or indirectly executed, nor has any Person acting on behalf of the Purchaser, or pursuant to any understanding with the Purchaser executed, any other purchases of securities of the Issuer which may be integrated with the transactions contemplated by this Agreement.

## **5.9 Certain Fees**

The Purchaser acknowledges that, other than the fees and expenses payable pursuant to this Agreement, no brokerage or finder's fees or commissions are or will be payable by the Purchaser or, to the Purchaser's knowledge, by the Issuer to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by this Agreement.

## **5.10 Experience of the Purchaser**

The Purchaser has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the 2019 VMTP Shares, and has so evaluated the merits and risks of such investment. The Purchaser is able to bear the economic risk of an investment in the 2019 VMTP Shares and, at the present time, is able to afford a complete loss of such investment.

## **5.11 Due Diligence**

The Purchaser acknowledges that it has sole responsibility for its own due diligence investigation and its own investment decision relating to the 2019 VMTP

Shares. The Purchaser understands that nothing in this Agreement, the Information Statement, or any other materials presented to the Purchaser in connection with the purchase and sale of the 2019 VMTP Shares constitutes legal, tax or investment advice from the Issuer. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the 2019 VMTP Shares.

## ARTICLE VI COVENANTS OF THE ISSUER

The Issuer agrees that, so long as there is any amount payable hereunder or the Purchaser owns any Outstanding 2019 VMTP Shares:

### 6.1 Information

Without limitation of the other provisions of this Agreement, the Issuer will deliver, or direct the Redemption and Paying Agent to deliver, to the Purchaser:

- (a) as promptly as practicable after the preparation and filing thereof with the Securities and Exchange Commission, each annual and semi-annual report prepared with respect to the Issuer, which delivery may be made by notice of the electronic availability of any such document on a public website;
- (b) notice of any change in (including being put on Credit Watch or Watchlist), or suspension or termination of, the ratings on the 2019 VMTP Shares by any Rating Agency (and any corresponding change in the Rating Agency Guidelines applicable to the 2019 VMTP Shares associated with any such change in the rating from any Rating Agency) or any change of a Rating Agency rating the 2019 VMTP Shares as promptly as practicable upon the occurrence thereof;
- (c) notice of any redemption or other repurchase of any or all of the 2019 VMTP Shares as provided in the Articles Supplementary;
- (d) notice of any proposed amendments to any of the Related Documents at such time as the amendments are sent to other parties whose approval is required for such amendment and in any event not less than 10 Business Days prior to any proposed amendment and copies of all actual amendments thereto within five Business Days of being signed or, in each case, as provided in the relevant document;
- (e) notice of any missed, reduced or deferred dividend payment on the 2019 VMTP Shares that remains uncured for more than three Business Days as soon as reasonably practicable, but in no event later than one Business Day after expiration of the foregoing grace period;
- (f) notice of the failure to make any deposit provided for under Section 2.5(d) of the Articles Supplementary in respect of a properly noticed redemption as soon as reasonably practicable, but in no event later than two Business Days after discovery of such failure to make any such deposit;
- (g) notice of non-compliance with the Rating Agency Guidelines (if applicable) for more than five Business Days as soon as reasonably practicable, but in no event later than one Business Day after expiration of the foregoing grace period;
- (h) notice of the distribution of net capital gains or ordinary income one Business Day in advance of the Rate Period that such net capital gains or ordinary income will or may be distributed, simultaneously with the Redemption and Paying Agent providing such notice to Designated Owners or their Agent Members;
- (i) notice of any change to any investment adviser or sub-adviser of the Issuer within two Business Days after a resignation or a notice of removal has been sent by or to any investment adviser or sub-adviser;
- (j) notice of any proxy solicitation as soon as reasonably practicable, but in no event later than five Business Days after mailing thereof;
- (k) notice one Business Day after the occurrence thereof of (i) the failure of the Issuer to pay the amount due on any "senior securities" (as defined under the 1940 Act) or other debt at the time outstanding after any period of grace or cure with respect thereto shall have expired; (ii) the failure of the Issuer to pay, or admitting in writing its inability to pay, its debts generally as they become due; or (iii) the failure of the Issuer to pay accumulated dividends on any additional preferred stock ranking *pari passu* with the 2019 VMTP Shares (including, but not limited to, the 2018 VMTP Shares), after any period of grace or cure with respect thereto shall have expired;
- (l) notice of a material breach of any representation, warranty or covenant of the Issuer contained in this Agreement or the Registration Rights Agreement or any violation of the terms of the Articles Supplementary, in each case, only if any officer of the Issuer has actual knowledge of such breach or violation as soon as reasonably practicable, but in no event later than five days, after knowledge of any officer of the Issuer thereof;
- (m) notice of any litigation, administrative proceeding or business development which may reasonably be expected to materially adversely affect the Issuer's business, properties or affairs or to impair the ability of the Issuer to perform its obligations as set forth hereunder or under any of the Related Documents to which it is a party as soon as reasonably practicable, but in no event later than 10 days after knowledge of any officer of the Issuer thereof;
- (n) upon request of the Purchaser, copies of all certificates that the Issuer has delivered to each Rating Agency that are set forth in the respective Rating Agency Guidelines (if applicable) regarding Asset Coverage and all related calculations at such times and containing such information as set forth in the respective Rating Agency Guidelines as soon as reasonably practicable after such certificates have been sent;

- (o) on the 15<sup>th</sup> and last day of each month (each a "**Reporting Date**"), a report of portfolio holdings of the Issuer as of the end of the Business Day immediately preceding each such Reporting Date, prepared on a basis substantially consistent with the periodic reports of portfolio holdings of the Issuer prepared for financial reporting purposes;
- (p) on the 15<sup>th</sup> and last day of each month, the information set forth in Exhibit D to this Agreement and a calculation of the Effective Leverage Ratio and the Asset Coverage of the Issuer as of the close of business of each Business Day since the date of the last report issued pursuant to this Section 6.1(p); and upon the failure of the Issuer to maintain Asset Coverage as provided in Section 2.4(a) of the Articles Supplementary or the Effective Leverage Ratio as required by Section 2.4(c) of the Articles Supplementary, notice of such failure within one Business Day of the occurrence thereof; and
- (q) from time to time such additional information regarding the financial position, results of operations or prospects of the Issuer as the Purchaser may reasonably request including, without limitation, copies of all Information Statements or other offering material with respect to the sale of any securities of the Issuer as soon as reasonably practicable, but in no event later than 10 days after a request.

All information, reports and other papers, documentation and data with respect to the Issuer furnished to the Purchaser pursuant to this Section 6.1 shall be, at the time the same are so furnished, complete and correct in all material respects and, when considered with all other material delivered to the Purchaser under this Agreement, will not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. For purposes of Sections 6.1(o) and (p), references to any day that is not a Business Day shall mean the next preceding Business Day.

## **6.2 No Amendment or Certain Other Actions Without Consent of the Purchaser**

To the extent that the Purchaser is the Holder or Designated Owner of 75% of the 2019 VMTP Shares then outstanding, without the prior written consent of the Purchaser, the Issuer will not agree to, consent to or permit any amendment, supplement, modification or repeal of the Articles Supplementary or any provision therein, nor waive any provision thereof.

## **6.3 Maintenance of Existence**

The Issuer shall continue to maintain its existence as a corporation under the laws of the State of Maryland, with full right and power to issue the 2019 VMTP Shares and to execute, deliver and perform its obligations under this Agreement and each Related Document.

## **6.4 Tax Status of the Issuer**

The Issuer will qualify as a "regulated investment company" within the meaning of Section 851(a) of the Code and the dividends made with respect to the 2019 VMTP Shares will qualify as "exempt interest dividends" to the extent they are reported as such by the Issuer and permitted by Section 852(b)(5)(A) of the Code.

## **6.5 Payment Obligations**

The Issuer shall promptly pay or cause to be paid all amounts payable by it hereunder and under the Related Documents, according to the terms hereof and thereof, shall take such actions as may be necessary to include all payments hereunder and thereunder which are subject to appropriation in its budget and make full appropriations related thereto, and shall duly perform each of its obligations under this Agreement and the Related Documents. All payments of any sums due hereunder shall be made in the amounts required hereunder without any reduction or setoff, notwithstanding the assertion of any right of recoupment or setoff or of any counterclaim by the Issuer.

## **6.6 Compliance With Law**

The Issuer shall comply with all laws, ordinances, orders, rules and regulations that may be applicable to it if the failure to comply could have a Material Adverse Effect.

## **6.7 Maintenance of Approvals: Filings, Etc.**

The Issuer shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, filings, licenses, approvals and authorizations as may be necessary under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents to which it is a party.

## **6.8 Inspection Rights**

The Issuer shall, at any reasonable time and from time to time, upon reasonable notice, permit the Purchaser or any agents or representatives thereof, at the Issuer's expense, to examine and make copies of the records and books of account related to the transactions contemplated by this Agreement, to visit its properties and to discuss its affairs, finances and accounts with any of its officers and independent accountants, to the extent permitted by law, provided, however, that the Issuer shall not be required to pay for more than one inspection per fiscal year. The Issuer will not unreasonably withhold its authorization for its independent accountants to discuss its affairs, finances and accounts with the Purchaser.

All information, reports and other papers, documentation and data with respect to the Issuer furnished to the Purchaser pursuant to this Section 6.8 shall be, at the time the same are so furnished, complete and correct in all material respects and, when considered with all other material delivered to the Purchaser under this Agreement, will not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

## **6.9 Litigation, Etc.**

The Issuer shall give prompt notice in writing to the Purchaser of any litigation, administrative proceeding or business development which is reasonably expected to materially adversely affect its business, properties or affairs or to impair the ability of the Issuer to perform its obligations as set forth hereunder or under any of the Related Documents.

#### **6.10 1940 Act Registration**

The Issuer shall maintain its valid registration as a registered closed-end company under the 1940 Act in full force and effect.

#### **6.11 Credit Quality**

As of the Effective Date, the Issuer (i) has invested at least 80% of its Managed Assets in investment grade quality municipal securities that, at the time of investment, were rated within the four highest grades (Baa or BBB or better) by at least one of the NRSROs rating such securities or were unrated but judged to be of comparable quality by the Investment Adviser; and (ii) has invested up to 20% of its Managed Assets in municipal securities that at the time of investment were rated below investment grade or were unrated but judged to be of comparable quality by the Investment Adviser, provided that the Issuer has invested no more than 10% of the Issuer's Managed Assets in municipal securities that, at the time of investment, were rated below B3/B- by an NRSRO or that were unrated but judged to be of comparable quality by the Investment Adviser.

#### **6.12 Maintenance of Effective Leverage Ratio**

For so long as the Issuer fails to provide the information required under Sections 6.1(o) and 6.1(p), the Purchaser may calculate, for purposes of Section 2.5(b)(ii) (A)(y) of the Articles Supplementary, the Effective Leverage Ratio using the most recently received information required to be delivered pursuant to Sections 6.1(o) and 6.1(p) and the market values of securities determined by the third-party pricing service which provided the market values to the Issuer on the most recent date that information was properly provided by the Issuer pursuant to the requirements of Section 6.1(o) and 6.1(p). The Effective Leverage Ratio as calculated by BAPFC so long as BAPFC holds 2019 VMTP Shares, in such instances shall be binding on the Issuer. If required, the Issuer shall restore the Effective Leverage Ratio as provided in the Articles Supplementary.

In connection with calculating the Effective Leverage Ratio, the Issuer's total assets and accrued liabilities shall reflect the positive or negative net obligations of the Issuer under each Derivative Contract determined in accordance with the Issuer's valuation policies.

#### **6.13 Redemption and Paying Agent**

The Issuer shall use its commercially reasonable best efforts to engage at all times a Redemption and Paying Agent to perform the duties to be performed by the Redemption and Paying Agent specified herein and in the Articles Supplementary.

#### **6.14 Cooperation in the Sale of the 2019 VMTP Shares**

The Issuer will comply with reasonable due diligence requests from the Purchaser in connection with any proposed sale by the Purchaser of the 2019 VMTP Shares in a transaction exempt from registration and otherwise permitted by this Agreement, provided that the Issuer need not comply with more than two of any such requests in any period of twelve consecutive months and any prospective purchaser of the 2019 VMTP Shares from the Purchaser shall execute a confidentiality agreement substantially to the effect of Section 7.13 hereof prior to receiving any due diligence materials provided pursuant to such due diligence request.

All information, reports and other papers, documentation and data with respect to the Issuer furnished to the Purchaser pursuant to this Section 6.14 shall be, at the time the same are so furnished, complete and correct in all material respects and, when considered with all other material delivered to the Purchaser under this Agreement, will not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

#### **6.15 Use of Proceeds**

The Issuer shall use the net proceeds from the sale of the 2019 VMTP Shares to pay the redemption price of all of the APS and 2015 VMTP Shares, which will be redeemed by the Issuer pursuant to the Issuer's notice of redemption to holders of such shares. It is expected that the outstanding Series M, Series T, Series W and Series TH APS will be redeemed on August 29, 2019, August 30, 2019, September 3, 2019 and September 4, 2019, respectively. The outstanding 2015 VMTP Shares will be redeemed on August 28, 2019.

#### **6.16 Securities Depository**

The Issuer agrees to maintain settlement of the 2019 VMTP Shares in global book entry form through the Securities Depository or such other clearance system acceptable to the Purchaser.

#### **6.17 Future Agreements**

The Issuer shall promptly, at the request of the Purchaser, enter into an agreement, on terms mutually satisfactory to the Issuer and the Purchaser, of the type specified in Section 12(d)(1)(E)(iii) of the 1940 Act, so as to permit the Purchaser or any transferee satisfying the requirements set forth in Section 2.1 to rely on the provisions of Section 12(d)(1)(E)(iii) of the 1940 Act.

#### **6.18 Eligible Assets**

The Issuer shall only make investments in the Eligible Assets described in Exhibit B to this Agreement, as amended from time to time with the prior written consent of the Purchaser, in accordance with the Issuer's investment objectives and the investment policies set forth in the Information Statement, as such investment objectives and investment policies may be modified in accordance with the 1940 Act and applicable law.

### **ARTICLE VII MISCELLANEOUS**

#### **7.1 Notices**

All notices, requests and other communications to any party hereunder shall be in writing (including teletype, electronic mail or similar writing), except in the case of notices and other communications permitted to be given by telephone, and shall be given to such party at its address or teletype number or email address set

forth below or such other address or telecopy number or email address as such party may hereafter specify for the purpose by notice to the other parties. Each such notice, request or other communication shall be effective when delivered at the address specified in this Section. Except as otherwise specified, notices under Section 6.1 may be given by telephone to the Purchaser at the telephone numbers listed below (or such other telephone numbers as may be designated by the Purchaser, by written notice to the Issuer, to receive such notice), immediately confirmed in writing, including by fax or electronic mail. The notice address for each party is specified below:

- (a) if to the Issuer:

AllianceBernstein National Municipal Income Fund, Inc.  
c/o AllianceBernstein L.P.  
1345 Avenue of the Americas  
New York, New York 10105  
Attention: Terry Hults  
Telephone: (212) 969-6453  
Email: terry.hults@abglobal.com

- (b) if to BAPFC:

Banc of America Preferred Funding Corporation  
One Bryant Park  
1111 Avenue of the Americas, 9<sup>th</sup> Floor  
New York, NY 10036  
Attention: Thomas J. Visone  
Jason Strand  
Todd Blasiak  
Michael Jentis  
Lisa Irizarry  
Telephone: (212) 449-7358 (Visone, Blasiak, Irizarry)  
(980) 386-4161 (Strand)  
Email: thomas.visone@baml.com  
jason.strand@bankofamerica.com  
todd.blasiak@baml.com  
lisa.m.irizarry@baml.com  
michael.jentis@baml.com

## 7.2 No Waivers

- (a) The obligations of the Issuer hereunder shall not in any way be modified or limited by reference to any other document, instrument or agreement (including, without limitation, the 2019 VMTP Shares or any other Related Document). The rights of the Purchaser hereunder are separate from and in addition to any rights that any Holder or Designated Owner of any 2019 VMTP Share may have under the terms of such 2019 VMTP Share or any Related Document or otherwise.
- (b) No failure or delay by the Issuer or the Purchaser in exercising any right, power or privilege hereunder or under the 2019 VMTP Shares shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No failure or delay by the Issuer or the Purchaser in exercising any right, power or privilege under or in respect of the 2019 VMTP Shares or any other Related Document shall affect the rights, powers or privileges of the Issuer or the Purchaser hereunder or shall operate as a limitation or waiver thereof. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

## 7.3 Expenses and Indemnification

- (a) The Issuer shall upon demand either, as the Purchaser may require, pay in the first instance or reimburse the Purchaser (to the extent that payments for the following items are not made under the other provisions hereof) for all reasonable out-of-pocket expenses (including reasonable fees and costs of outside counsel, and reasonable consulting, accounting, appraisal, investment banking, and similar professional fees and charges) incurred by the Purchaser in connection with the enforcement of or preservation of rights under this Agreement. The Issuer shall not be responsible under this Section 7.3(a) for the fees and costs of more than one law firm in any one jurisdiction with respect to any one proceeding or set of related proceedings for the Purchaser, unless the Purchaser shall have reasonably concluded that there are legal defenses available to it that are different from or additional to those available to the Issuer.
- (b) The Issuer agrees to indemnify and hold harmless the Purchaser and each other Indemnified Person of the Purchaser from and against any losses, claims, damages, liabilities and reasonable out-of-pocket expenses incurred by them (including reasonable fees and disbursements of outside counsel) that are related to or arise out of (i) any material misstatements or any material statements omitted to be made in the Information Statement (including any documents incorporated by reference therein) or (ii) any claim by any third party relating to the offering or sale of the 2019 VMTP Shares by the Issuer or the holding of the 2019 VMTP Shares by the Purchaser (A) that the Purchaser aided and abetted a breach of a fiduciary duty by the Issuer or any director or officer of the Issuer or (B) arising from any act by the Issuer or any director or officer of the Issuer (excluding in any such case clauses (i) or (ii), claims, losses, liabilities or expenses arising out of or resulting from the gross negligence or willful misconduct of any Indemnified Person as determined by a court of competent jurisdiction, and any consequential, special or punitive damages or losses consisting of trading losses, speculative losses, loss of profit or loss of business opportunity).

- (c) The indemnifying party also agrees that if any indemnification sought by an Indemnified Person pursuant to this Agreement is unavailable or insufficient, for any reason, to hold harmless the Indemnified Persons of such other party in respect of any losses, claims, damages or liabilities (or actions in respect thereof), then the indemnifying party, in order to provide for just and equitable contribution, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, liabilities, damages and expenses (or actions in respect thereof) in such proportion as is appropriate to reflect (i) the relative benefits received by the Issuer on the one hand and the Purchaser on the other hand from the actual or proposed transactions giving rise to or contemplated by this Agreement or (ii) if the allocation provided by the foregoing clause (i) is not permitted by applicable law, not only such relative benefits but also the relative fault of the Issuer on the one hand and the Purchaser on the other, in connection with the statements or omissions or alleged statements or omissions that resulted in such losses, claims, damages, liabilities or expenses (or actions in respect thereof), as well as any other relevant equitable considerations; provided that in any event the aggregate contribution of the Purchaser and its Indemnified Persons to all losses, claims, damages, liabilities and expenses with respect to which contributions are available hereunder will not exceed the amount of dividends actually received by the Purchaser from the Issuer pursuant to the proposed transactions giving rise to this Agreement. For purposes of determining the relative benefits to the Issuer on the one hand, and the Purchaser on the other, under the proposed transactions giving rise to or contemplated by this Agreement, such benefits shall be deemed to be in the same proportion as (i) the total value received or proposed to be received by the Issuer pursuant to the transactions, whether or not consummated bears to (ii) the dividends and Optional Redemption Premium paid by the Issuer to the Purchaser in connection with the proposed transactions giving rise to or contemplated by this Agreement. The relative fault of the parties shall be determined by reference to, among other things, whether the actions taken or omitted to be taken in connection with the proposed transactions contemplated by this Agreement (including any misstatement of a material fact or the omission to state a material fact) relates to information supplied by the Issuer on the one hand, or the Purchaser on the other, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, misstatement or alleged omission, and any other equitable considerations appropriate in the circumstances. No person found liable for a fraudulent misrepresentation shall be entitled to contribution from any person who is not also found liable for such fraudulent misrepresentation. The indemnity, reimbursement and contribution obligations under this Agreement shall be in addition to any rights that any Indemnified Person may have at common law or otherwise.
- (d) If any action, suit, proceeding or investigation is commenced, as to which an Indemnified Person proposes to demand indemnification, it shall notify the indemnifying party with reasonable promptness; provided, however, that any failure by such Indemnified Person to notify the indemnifying party shall not relieve the indemnifying party from its obligations hereunder (except to the extent that the indemnifying party is materially prejudiced by such failure to promptly notify). The indemnifying party shall be entitled to assume the defense of any such action, suit, proceeding or investigation, including the employment of counsel reasonably satisfactory to the Indemnified Person. The Indemnified Person shall have the right to counsel of its own choice to represent it, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the indemnifying party has failed promptly to assume the defense and employ counsel reasonably satisfactory to the Indemnified Person in accordance with the preceding sentence or (ii) the Indemnified Person shall have been advised by counsel that there exist actual or potential conflicting interests between the indemnifying party and such Indemnified Person, including situations in which one or more legal defenses may be available to such Indemnified Person that are different from or additional to those available to the indemnifying party; provided, however, that the indemnifying party shall not, in connection with any one such action or proceeding or separate but substantially similar actions or proceedings arising out of the same general allegations be liable for fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Persons of such other party; and such counsel shall, to the extent consistent with its professional responsibilities, cooperate with the indemnifying party and any counsel designated by the indemnifying party.

Each party further agrees that it will not, without the prior written consent of the other parties (the consent of a party shall not be required to the extent such party is neither requesting indemnification nor being requested to provide indemnification), settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not any Indemnified Person is an actual or potential party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of each other Indemnified Person from all liability and obligations arising therefrom. The Issuer further agrees that neither the Purchaser, nor any of its affiliates, nor any directors, officers, partners, employees, agents, representatives or control persons of the Purchaser or any of its affiliates shall have any liability to the Issuer arising out of or in connection with the proposed transactions giving rise to or contemplated by this Agreement except for such liability for losses, claims, damages, liabilities or expenses to the extent they have resulted from the Purchaser's or its affiliates' gross negligence or willful misconduct. No Indemnified Person shall be responsible or liable to the indemnifying party or any other person for consequential, special or punitive damages which may be alleged as a result of this Agreement.

- (e) Nothing in this Section 7.3 is intended to limit any party's obligations contained in other parts of this Agreement or the 2019 VMTP Shares.

#### **7.4 Amendments and Waivers**

Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Issuer and the Purchaser; provided, that the Issuer shall not make or agree to any amendment or waiver to the Charter or the Articles Supplementary that affects any preference, right or power of the 2019 VMTP Shares or the Holders or Designated Owners thereof except as permitted under the Charter or the Articles Supplementary.

#### **7.5 Successors and Assigns**

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Neither the Issuer nor the Purchaser may assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other party (other than by operation of law), except that (i) any transferee satisfying the requirements set forth in Section 2.1 and which has executed and delivered to the Issuer the transferee certificate attached as Exhibit C shall, prior to registration of any 2019 VMTP Shares under the Securities Act, have the rights set forth in Section 6.17 and Section 7.15 and shall, so long as such transferee has provided a means for the Issuer to transmit such information electronically to it, be entitled to receive the information delivered pursuant to Sections 6.1(o) and 6.1(p) and such transferees shall be deemed a party to this Agreement for purposes of Sections 6.1(o), 6.1(p) and the confidentiality provisions herein as specified in the transferee certificate and (ii) the Purchaser may assign its rights or obligations to any affiliate of the Purchaser or any tender option bond trust (or other similar investment vehicles) in which the Purchaser or an affiliate of the Purchaser retains the entire residual interest. Any assignment without such prior written consent shall be void.

#### **7.6 Term of this Agreement**

This Agreement shall terminate on the earlier of (i) the registration of any Outstanding 2019 VMTP Shares under the Securities Act and (ii) payment in full of all amounts then due and owing to the Purchaser hereunder and under the 2019 VMTP Shares; and notwithstanding any termination of this Agreement, Section 7.3, Section 7.7, Section 7.8, Section 7.10, Section 7.11, the second sentence of Section 7.12, and Section 7.13 (for a period of two years after the termination of this Agreement) shall remain in full force and effect.

## 7.7 Governing Law

This Agreement shall be construed in accordance with and governed by the domestic law of the State of New York.

THE PARTIES HERETO HEREBY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND NEW YORK STATE COURTS LOCATED IN THE CITY OF NEW YORK IN CONNECTION WITH ANY DISPUTE RELATED TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY.

## 7.8 Waiver of Jury Trial

The Issuer and the Purchaser hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against any other on any matters whatsoever arising out of or in any way connected with this Agreement.

## 7.9 Counterparts

This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Any counterpart or other signature delivered by facsimile or by electronic mail shall be deemed for all purposes as being a good and valid execution and delivery of this Agreement by that party.

## 7.10 Beneficiaries

This Agreement is not intended and shall not be construed to confer upon any Person other than the parties hereto and their successors and permitted assigns any rights or remedies hereunder.

## 7.11 Entire Agreement

Except as set forth in Section 7.5, this Agreement shall constitute the entire agreement and understanding between the parties hereto with respect to the matters set forth herein and shall supersede any and all prior agreements and understandings relating to the subject matter hereof.

## 7.12 Relationship to the Articles Supplementary

The Issuer and the Purchaser agree that the representations, warranties, covenants and agreements contained in this Agreement are in addition to the terms and provisions set forth in the Articles Supplementary. As between the Issuer and the Purchaser, the Issuer and the Purchaser agree that Section 2.10(d) of the Articles Supplementary shall have no effect for so long as none of the 2019 VMTP Shares have been registered under the Securities Act.

## 7.13 Confidentiality

Any information delivered by a party to this Agreement to any other party pursuant to this Agreement, including, without limitation, pursuant to Section 6.1 in the case of the Issuer (collectively, the "**Information**"), shall not be disclosed by such other party (or its employees, representatives or agents) to any person or entity (except as required by law or to such of its agents and advisors as need to know and agree to be bound by the provisions of this paragraph) or used by such other party for any purpose other than as contemplated by this Agreement without the prior written consent of the party delivering the Information.

The obligations of confidentiality set out in the preceding paragraph do not extend to Information that is or becomes available to the public or is or becomes available to the party receiving the Information on a non-confidential basis or is disclosed to Holders or Designated Owners or potential Holders or Designated Owners, in each case in their capacity as such, in the offering documents of the Issuer, in notices to Holders or Designated Owners pursuant to one or more of the Related Documents or pursuant to the Issuer's or the Purchaser's informational obligations under Rule 144A(d)(4) or other reporting obligation of the Securities and Exchange Commission; or is required or requested to be disclosed (i) by a regulatory agency or in connection with an examination of either party or its representatives by regulatory authorities, (ii) pursuant to subpoena or other court process, (iii) at the express direction of any other authorized government agency, (iv) to its independent attorneys or auditors, (v) as required by any NRSRO, (vi) as otherwise required by law or regulation, (vii) otherwise in connection with the enforcement of this Agreement, (viii) in connection with the exercise of any remedies hereunder or in any suit, action or proceeding relating to this Agreement and the enforcement of rights hereunder, (ix) by a prospective purchaser of the 2019 VMTP Shares that is (a) a transferee that would be permitted pursuant to Section 2.1(b) of this Agreement and (b) aware of the confidentiality provisions of this Section 7.13 and is subject to an agreement with the transferor containing provisions substantially similar thereto and that states that the Issuer is an express third party beneficiary thereof, (x) subject to an agreement containing provisions substantially similar to those of this Section 7.13, or (xi) subject to an agreement containing provisions substantially similar to those of this Section 7.13 and with the prior written consent of the other party to this Agreement, which consent shall not be unreasonably withheld, to any actual or prospective counterparty in any swap or derivative transactions. For the avoidance of doubt, references in this Section 7.13 to "regulatory agency," "regulatory authorities," "government agency" and "law or regulation" shall be deemed to include the Internal Revenue Service and state taxation authorities.

## 7.14 Severability

In case any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby so long as the intent of the Parties to this Agreement shall be preserved.

## 7.15 Consent Rights of the Majority Participants to Certain Actions.

For so long as none of the 2019 VMTP Shares have been registered under the Securities Act, without the affirmative vote or consent of the Majority Participants, neither the Issuer nor the Board of Directors will take or authorize the taking of any of the actions set forth under clauses (a) through (e) of this Section 7.15:

- (a) The termination by the Issuer of any Rating Agency or the selection of any Other Rating Agency, either in replacement for a Rating Agency or as an additional Rating Agency with respect to the 2019 VMTP Shares.

- (b) The Issuer issuing or suffering to exist any "senior security" (as defined in the 1940 Act as of the date hereof, but not including a Derivative Contract, or, in the event such definition shall be amended, with such changes to the definition thereof as consented to by the Majority Participants) other than the 2019 VMTP Shares issued and sold pursuant to this Agreement or indebtedness for borrowed money of the Issuer, except (i) borrowings for temporary purposes in an amount not to exceed 5% of the assets of the Issuer, which borrowings are repaid within 60 days, (ii) the issuance of senior securities or the incurrence of indebtedness for borrowed money, the proceeds of which will be used for the redemption or repurchase of the 2019 VMTP Shares and costs incurred in connection therewith, (iii) the Issuer's previously issued and outstanding APS and 2018 VMTP Shares, and (iv) as may be otherwise approved or consented to by the Majority Participants, provided that if any such "senior security" is created or incurred by the Issuer it shall not require the approval of the Majority Participants if the Issuer redeems, retires or terminates such "senior security" or otherwise cures such non-compliance within five Business Days of receiving notice of the existence thereof.
- (c) The Issuer (i) creating or incurring or suffering to be incurred or to exist any lien on any other funds, accounts or other property held under the Charter or the Articles Supplementary, except as permitted by the Charter or the Articles Supplementary or (ii) except for any lien for the benefit of the Custodian of the Issuer on the assets of the Issuer held by such Custodian, pledging any portfolio security to secure any senior securities or other liabilities to be incurred by the Issuer (including under any tender option bond trust of which the residual floating rate trust certificates will be owned by the Issuer) unless the securities pledged pursuant to all such pledges or other security arrangements are valued for purposes of such security arrangements in an aggregate amount not less than 70% of their aggregate market value (determined by an independent third party pricing service) for purposes of determining the value of the collateral required to be posted or otherwise provided under all such security arrangements; provided, that the required collateral value under such security arrangements shall not exceed the market value of the exposure of each secured party to the credit of the Issuer; and provided further, that it shall not require the approval of the Majority Participants if any pledge or security interest in violation of the preceding sentence is created or incurred by the Issuer and the Issuer cures such violation within five Business Days of receiving notice of the existence thereof.
- (d) Approval of any amendment, alteration or repeal of any provision of the Charter or the Articles Supplementary, whether by merger, consolidation or otherwise, that would affect any preference, right or power of the 2019 VMTP Shares differentially from the rights of the holders of the Common Shares; or
- (e) Approval of any action to be taken pursuant to Sections 2.5(g) of the Articles Supplementary (other than the issuance of additional series of Variable Rate MuniFund Term Preferred Shares or other Preferred Shares, the proceeds of which will be used for the redemption or repurchase of the 2019 VMTP Shares and costs incurred in connection therewith).

In addition, if the Board of Directors shall designate a replacement to the S&P Weekly High Grade Municipal Index pursuant to the definition of SIFMA Municipal Swap Index contained in the Articles Supplementary, the Issuer shall notify the Holders of the 2019 VMTP Shares within five Business Days of such designation, and if within 30 days of such notice the Majority Participants shall have objected in writing to the designated replacement, the Board of Directors shall designate a replacement to such index as agreed to between the Issuer and the Majority Participants. In such event, the replacement index initially approved by the Board of Directors shall be the index in effect for purposes of the Articles Supplementary until a new index has been approved by the Issuer and the Majority Participants.

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

**ALLIANCEBERNSTEIN NATIONAL MUNICIPAL INCOME FUND, INC.**

By: /s/ Robert M. Keith

Name: Robert M. Keith  
Title: President

**BANC OF AMERICA PREFERRED FUNDING CORPORATION**

By: /s/ Michael Jentis

Name: Michael Jentis  
Title: Authorized Signatory

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**SCHEDULE 1**

Description of 2019 VMTP Shares:

5,754 AllianceBernstein National Municipal Income Fund, Inc. 2019 VMTP Shares with a Liquidation Preference of \$25,000 per share.

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## SCHEDULE 2

1. Aberdeen Investment Management Inc.
  2. American Century Investment Management, Inc.
  3. BMO Harris Financial Advisors, Inc.
  4. The Dreyfus Corporation
  5. BlackRock Advisors, LLC
  6. Capital Research and Management Company
  7. Charles Schwab Investment Management, Inc.
  8. Columbia Management Investment Advisors, LLC
  9. Cutwater Asset Management Corp.
  10. Delaware Management Business Trust
  11. Deutsche Investment Management Americas Inc.
  12. Eaton Vance Management
  13. Federated Investment Management Company
  14. Fidelity Management & Research Company
  15. First Investors Management Company, Inc.
  16. Franklin Advisers, Inc.
  17. GE Asset Management Incorporated
  18. Goldman Sachs Asset Management, L.P.
  19. Invesco Advisers Inc.
  20. John Hancock Advisers, LLC
  21. J.P. Morgan Investment Management Inc.
  22. Lord Abbett & Co. LLC
  23. MacKay Shields LLC
  24. Massachusetts Financial Services Company
  25. Morgan Stanley Investment Management Inc.
  26. McDonnell Investment Management, LLC
  27. Northern Trust Investments, Inc.
  28. Nuveen Fund Advisors, LLC
  29. OFI Global Asset Management, Inc.
  30. Payden & Rygel
  31. Pacific Investment Management Company LLC
  32. Principal Management Corporation
  33. Prudential Investment Management, Inc.
  34. Putnam Investment Management, LLC
  35. Silvercrest Asset Management Group, LLC
  36. Sit Investment Associates, Inc.
  37. T Rowe Price Associate, Inc.
  38. UBS Global Asset Management (Americas) Inc.
  39. The Vanguard Group, Inc.
  40. Waddell & Reed, Inc.
  41. Western Asset Management Company
  42. Wells Capital Management Incorporated
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**EXHIBIT A**

**FORMS OF OPINIONS OF COUNSEL FOR THE ISSUER**

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**EXHIBIT A-1**

**FORM OF CORPORATE AND 1940 ACT OPINION**

**[ON FILE]**

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EXHIBIT A-2

FORM OF TAX OPINION

[ON FILE]

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EXHIBIT A-3

FORM OF LOCAL COUNSEL OPINION

[ON FILE]

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EXHIBIT A-4

FORM OF NEGATIVE ASSURANCE LETTER

[ON FILE]

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**EXHIBIT B**  
**ELIGIBLE ASSETS**

On the Effective Date and at all times thereafter:

1. All assets in the Issuer consist of "Eligible Assets", defined to consist only of the following as of the time of investment:
  - A. Debt obligations
    - i. "Municipal securities", defined as obligations of a State, the District of Columbia, a U.S. territory, or a political subdivision thereof and including general obligations, limited obligation bonds, revenue bonds, and obligations that satisfy the requirements of section 142(b)(1) of the Internal Revenue Code of 1986 issued by or on behalf of any State, the District of Columbia, any U.S. territory or any political subdivision thereof, including any municipal corporate instrumentality of 1 or more States, or any public agency or authority of any State, the District of Columbia, any U.S. territory or any political subdivision thereof. The purchase of any municipal security will be based upon the Investment Adviser's assessment of an asset's relative value in terms of current yield, price, credit quality, and future prospects; and the Investment Adviser will monitor the creditworthiness of the Issuer's portfolio investments and analyze economic, political and demographic trends affecting the markets for such assets. Eligible Assets shall include any municipal securities that at the time of purchase are paying scheduled principal and interest or if at the time of purchase are in payment default, then in the sole judgment of the Investment Adviser are expected to produce payments of principal and interest whose present value exceeds the purchase price.
    - ii. Debt obligations of the United States.
    - iii. Debt obligations issued, insured, or guaranteed by a department or an agency of the U.S. Government, if the obligation, insurance, or guarantee commits the full faith and credit of the United States for the repayment of the obligation.
    - iv. Debt obligations of the Washington Metropolitan Area Transit Authority guaranteed by the Secretary of Transportation under Section 9 of the National Capital Transportation Act of 1969.
    - v. Debt obligations of the Federal Home Loan Banks.
    - vi. Debt obligations, participations or other instruments of or issued by the Federal National Mortgage Association or the Government National Mortgage Association.
    - vii. Debt obligations which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to sections 305 or 306 of the Federal Home Loan Mortgage Corporation Act.
    - viii. Debt obligations of any agency named in 12 U.S.C. § 24(Seventh) as eligible to issue obligations that a national bank may underwrite, deal in, purchase and sell for the bank's own account, including qualified Canadian government obligations.
    - ix. Debt obligations of issuers other than those specified in (i) through (viii) above that are "investment grade" and that are "marketable." For these purposes, an obligation is:
      - (aa) "marketable" if:
        - it is registered under the Securities Act;
        - it is offered and sold pursuant to Securities and Exchange Commission Rule 144A; 17 CFR 230.144A; or
        - it can be sold with reasonable promptness at a price that corresponds reasonably to its fair value; and
      - (bb) "investment grade" if:
        - the obligor had adequate capacity to meet financial commitments under the security for the projected life of the asset or exposure, which capacity is presumed if the risk of default by the obligor is low and the full and timely repayment of principal and interest is expected.
  - x. Certificates or other securities evidencing ownership interests in a municipal bond trust structure (generally referred to as a tender option bond structure) that invests in (a) debt obligations of the types described in (i) above or (b) depository receipts reflecting ownership interests in accounts holding debt obligations of the types described in (i) above.
  - xi. The bonds, notes and other debt securities referenced in (A) above shall be defined as Eligible Assets. An asset shall not lose its status as an Eligible Asset solely by virtue of the fact that:

- it provides for repayment of principal and interest in any form including fixed and floating rate, zero interest, capital appreciation, discount, leases, and payment in kind; or
- it is for long-term or short-term financing purposes.

B. Derivatives

- i. Interest rate derivatives;
- ii. Swaps, futures, forwards, structured notes, options and swaptions related to Eligible Assets or on an index related to Eligible Assets; or
- iii. Credit default swaps.

C. Other Assets

- i. Shares of other investment companies (open- or closed-end funds and ETFs) the assets of which consist entirely of Eligible Assets based on the Investment Adviser's assessment of the assets of each such investment company taking into account the investment company's most recent publicly available schedule of investments and publicly disclosed investment policies.
- ii. Cash.
- iii. Repurchase agreements on assets described in A above.
- iv. Taxable fixed-income securities, for the purpose of acquiring control of an issuer whose municipal bonds (a) the Issuer already owns and (b) have deteriorated or are expected shortly to deteriorate that such investment should enable the Issuer to better maximize its existing investment in such issuer, provided that the Issuer may invest no more than 0.5% of its total assets in such securities.

D. Other assets, upon written agreement of all Holders of the 2019 VMTP Shares ("Holders") that such assets are eligible for purchase by the Holder.

2. The Investment Adviser has instituted policies and procedures that it believes are sufficient to ensure that the Issuer and it comply with the representations, warranties and covenants contained in this Exhibit to the Agreement.

3. The Issuer will, upon request, provide each Holder and its internal and external auditors and inspectors as such Holder may from time to time designate, with all reasonable assistance and access to information and records of the Issuer relevant to the Issuer's compliance with and performance of the representations, warranties and covenants contained in this Exhibit to the Agreement, but only for the purposes of internal and external audit.

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EXHIBIT C

TRANSFEEE CERTIFICATE

AllianceBernstein National Municipal Income Fund, Inc.  
1345 Avenue of the Americas  
New York, New York 10105  
Attention: Stephen Laffey

Ladies and Gentlemen:

Reference is hereby made to the Purchase Agreement (the "Purchase Agreement"), dated as of August 28, 2019, between AllianceBernstein National Municipal Income Fund, Inc., a closed-end fund organized as a Maryland corporation (the "Fund") and Banc of America Preferred Funding Corporation ("BAPFC"), a Delaware corporation, including its successors by merger or operation of law. BAPFC is referred to as the "Transferor" in this certificate. Capitalized terms used but not defined herein shall have the meanings given them in the Purchase Agreement.

In connection with the proposed sale by the Transferor of \_\_\_\_\_ 2019 VMTP Shares (the "Transferred Shares") to the undersigned transferee (the "Transferee"), the undersigned agrees and acknowledges, on its own behalf, and makes the representations and warranties, on its own behalf, as set forth in this certificate (this "Transferee Certificate") to the Fund and the Transferor:

1. The Transferee certifies to one of the following (check a box):

it is a "qualified institutional buyer" (a "QIB") (as defined in Rule 144A under the Securities Act or any successor provision) ("Rule 144A") that is (a) a registered closed-end management investment company, the shares of which are traded on a national securities exchange, or registered open-end management investment company, in either case, that (X) is either sponsored or managed by an entity listed on Schedule 2 to the Purchase Agreement or any other entity that is controlled by, controlling or under common control with an entity listed on Schedule 2 to the Purchase Agreement and (Y) invests primarily in municipal obligations (each, a "Registered Investment Company"); (b) bank or entity that is a 100% direct or indirect subsidiary of a bank's publicly traded parent holding company (collectively, "Banks"); or (c) an insurance company, in each case, pursuant to Rule 144A or another available exemption from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), in a manner not involving any public offering within the meaning of Section 4(a)(2) of the Securities Act;

it is a tender option bond trust (or other similar investment vehicles) in which all investors are QIBs that are Registered Investment Companies, Banks or insurance companies (or, in the case of a tender option bond trust (or other similar investment vehicles) in which the Holder or an affiliate of the Holder retains a residual interest); or

is a person which the Fund has consented in writing to permit to be the holder of the Transferred Shares.

2. The Transferee certifies that it (check a box):

is not an AllianceBernstein Person that after such sale and transfer, would own more than 20% of the Outstanding 2019 VMTP Shares; or

is an AllianceBernstein Person that after such sale and transfer, would own more than 20% of the Outstanding 2019 VMTP Shares and it has received the prior written consent of each of the Fund and the holder(s) of more than 50% of the outstanding 2019 VMTP Shares to invest in those shares.

3. The Transferee understands and acknowledges that the Transferred Shares are "restricted securities" and have not been registered under the Securities Act or any other applicable securities law, are being offered for sale pursuant to Rule 144A of the Securities Act or another available exemption from registration under the Securities Act, in a manner not involving any public offering with the meaning of Section 4(a)(2) of the Securities Act, and may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption therefrom or in a transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in this Transferee Certificate.

4. The Transferee is purchasing the Transferred Shares for its own account for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirements of law that the disposition of its property be at all times within its or their control and subject to its or their ability to resell such securities pursuant to Rule 144A or any exemption from registration available under the Securities Act.

5. The Transferee agrees on its own behalf and on behalf of each subsequent holder or owner of the Transferred Shares by its acceptance thereof will agree to sell, transfer or otherwise dispose of the Transferred Shares only in whole shares and only to (1)(i) to Persons that it reasonably believes are QIBs that are (a) registered closed-end management investment companies, the shares of which are traded on a national securities exchange, and registered open-end management investment companies, in each case, that (X) are either sponsored or managed by an entity listed on Schedule 2 to the Purchase Agreement or any other entity that is controlled by, controlling or under common control with an entity listed on Schedule 2 to the Purchase Agreement and (Y) invest primarily in municipal obligations (each, a "Registered Investment Company"); (b) banks or entities that are 100% direct or indirect subsidiaries of banks' publicly traded parent holding companies (collectively, "Banks"); or (c) insurance companies, in each case, pursuant to Rule 144A or another available exemption from registration under the Securities Act, in a manner not involving any public offering within the meaning of Section 4(a)(2) of the Securities Act, (ii) to tender option bond trusts (or other similar investment vehicles) in which all investors are Persons that the Transferor reasonably believes are QIBs that are Registered Investment Companies, Banks or insurance companies (or, in the case of a tender option bond trust (or other similar investment vehicles) in which the Holder or an affiliate of the Holder retains a residual interest), or (iii) to other investors with the prior written consent of the Issuer and (2) unless the prior written consent of each of the Issuer and the Majority Participants has been obtained, not to AllianceBernstein Persons if such AllianceBernstein Persons would, after such sale and transfer, own more than 20% of the Outstanding 2019 VMTP Shares.

6. The Transferee acknowledges that the 2019 VMTP Shares were issued in book-entry form and are represented by one global certificate and that the global certificate representing the 2019 VMTP Shares (unless sold to the public in an underwritten offering of the 2019 VMTP Shares pursuant to a registration statement filed under the Securities Act) contains a legend substantially to the following effect:

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAW. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF AGREES TO SELL, TRANSFER OR OTHERWISE DISPOSE OF SUCH SECURITY ONLY IN WHOLE SHARES AND ONLY (1)(I) TO PERSONS THAT IT REASONABLY BELIEVES ARE QUALIFIED INSTITUTIONAL BUYERS ("QIBS") THAT ARE (A) REGISTERED CLOSED-END MANAGEMENT INVESTMENT COMPANIES, THE SHARES OF WHICH ARE TRADED ON A NATIONAL SECURITIES EXCHANGE, AND REGISTERED OPEN-END MANAGEMENT INVESTMENT COMPANIES, IN EACH CASE, THAT (X) ARE EITHER SPONSORED OR MANAGED BY AN ENTITY LISTED ON SCHEDULE 2 TO THE PURCHASE AGREEMENT OR ANY OTHER ENTITY THAT IS CONTROLLED BY, CONTROLLING OR UNDER COMMON CONTROL WITH AN ENTITY LISTED ON SCHEDULE 2 TO THE PURCHASE AGREEMENT AND (Y) INVEST PRIMARILY IN MUNICIPAL OBLIGATIONS (EACH, A "REGISTERED INVESTMENT COMPANY"); (B) BANKS OR ENTITIES THAT ARE 100% DIRECT OR INDIRECT SUBSIDIARIES OF BANKS' PUBLICLY TRADED PARENT HOLDING COMPANIES (COLLECTIVELY, "BANKS"); OR (C) INSURANCE

COMPANIES, IN EACH CASE, PURSUANT TO RULE 144A OR ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, IN A MANNER NOT INVOLVING ANY PUBLIC OFFERING WITHIN THE MEANING OF SECTION 4(a)(2) OF THE SECURITIES ACT, (II) TO TENDER OPTION BOND TRUSTS (OR OTHER SIMILAR INVESTMENT VEHICLES) IN WHICH ALL INVESTORS ARE PERSONS THAT THE HOLDER REASONABLY BELIEVES ARE QIBS THAT ARE REGISTERED INVESTMENT COMPANIES, BANKS OR INSURANCE COMPANIES (OR, IN THE CASE OF A TENDER OPTION BOND TRUST (OR OTHER SIMILAR INVESTMENT VEHICLES) IN WHICH THE HOLDER OR AN AFFILIATE OF THE HOLDER RETAINS A RESIDUAL INTEREST), OR (III) TO OTHER INVESTORS WITH THE PRIOR WRITTEN CONSENT OF THE FUND AND (2) UNLESS THE PRIOR WRITTEN CONSENT OF EACH OF THE FUND AND THE MAJORITY PARTICIPANTS HAS BEEN OBTAINED, NOT TO ALLIANCEBERNSTEIN PERSONS IF SUCH ALLIANCEBERNSTEIN PERSONS WOULD, AFTER SUCH SALE AND TRANSFER, OWN MORE THAN 20% OF THE OUTSTANDING 2019 VMTP SHARES.

ANY TRANSFER IN VIOLATION OF THE FOREGOING TRANSFER RESTRICTIONS WILL BE VOID *AB INITIO* AND ANY TRANSFEREE OF 2019 VMTP SHARES TRANSFERRED IN VIOLATION OF THE FOREGOING RESTRICTIONS SHALL BE DEEMED TO AGREE TO HOLD ALL PAYMENTS IT RECEIVED ON ANY IMPROPERLY TRANSFERRED 2019 VMTP SHARES IN TRUST FOR THE BENEFIT OF THE TRANSFEROR OF SUCH 2019 VMTP SHARES.

7. The Transferee has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Transferred Shares, and has so evaluated the merits and risks of such investment. The Transferee is able to bear the economic risk of an investment in the Transferred Shares and, at the present time, is able to afford a complete loss of such investment.

8. The Transferee is not purchasing the Transferred Shares as a result of any advertisement, article, notice or other communication regarding the Transferred Shares published in, nor was it offered the Transferred Shares by, any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or, to its knowledge, any other general solicitation or general advertisement.

9. Other than consummating the purchase of the Transferred Shares, the Transferee has not directly or indirectly, nor has any person acting on behalf of or pursuant to any understanding with the Transferee, executed any other purchases of securities of the Fund which may be integrated with the proposed purchase of the Transferred Shares by the Transferee.

10. The Transferee acknowledges that it has received a copy of the Purchase Agreement and Appendices thereto and agrees to abide by any obligations therein binding on a transferee of the 2019 VMTP Shares and the confidentiality obligations therein with respect to information relating to the Fund as if it were the Transferor.

11. The Transferee acknowledges that it has received a copy of the Registration Rights Agreement and agrees to abide by any obligations therein binding on a transferee of the 2019 VMTP Shares.

12. The Transferee acknowledges that it has been given the opportunity to obtain from the Fund the information referred to in Rule 144A(d)(4) under the Securities Act, and has either declined such opportunity or has received such information and has had access to and has reviewed all information, documents and records that it has deemed necessary in order to make an informed investment decision with respect to an investment in the Transferred Shares and that the Transferee understands the risk and other considerations relating to such investment.

13. The Transferee acknowledges that it has sole responsibility for its own due diligence investigation and its own investment decision relating to the Transferred Shares. The Transferee understands that any materials presented to the Transferee in connection with the purchase and sale of the Transferred Shares does not constitute legal, tax or investment advice from the Fund. The Transferee has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with the purchase of the Transferred Shares.

14. The Transferee acknowledges that each of the Transferor and the Fund and their respective affiliates and others will rely on the acknowledgments, representations and warranties contained in this Transferee's Certificate as a basis for exemption of the sale of the Transferred Shares under the Securities Act, under the securities laws of all applicable states, and for other purposes. The Transferee agrees to promptly notify the Fund and the Transferor if any of the acknowledgments, representations or warranties set forth herein are no longer accurate.

15. This Transferee's Certificate shall be governed by and construed in accordance with the laws of the State of New York.

16. The Transferee agrees to provide, together with this completed and signed Transferee's Certificate, a completed and signed IRS Form W-9, Form W-8 or successor form, as applicable.

[Signature Page Follows.]

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The undersigned has provided a completed and signed IRS Form W-9, Form W-8 or successor form, as applicable, and has caused this Transferee's Certificate to be executed by its duly authorized representative as of the date set forth below.

Date: \_\_\_\_\_

Name of Transferee (use exact name in which Transferred Shares are to be registered):

\_\_\_\_\_

Authorized Signature

\_\_\_\_\_

Print Name and Title

\_\_\_\_\_

Address of Transferee for Registration of Transferred Shares:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Transferee's taxpayer identification number:

\_\_\_\_\_

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EXHIBIT D

INFORMATION TO BE PROVIDED BY THE ISSUER

Reporting as of: \_\_\_\_\_

TOB Floaters: \$ \_\_\_\_\_

CUSIP [●]	Portfolio Name [●]	Description [●]	Market Value [●]	Par Value [●]	Rating [●]	State [●]
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## EXHIBIT E

### ADDITIONAL REPRESENTATIONS AND WARRANTIES (Given only as of the Effective Date)

1. Assuming compliance by the Purchaser of its representations, warranties, covenants and agreements in this Agreement, no registration of the 2019 VMTP Shares under the Securities Act is required.
2. As of the Effective Date, the 2019 VMTP Shares will satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act, and no securities of the same class (within the meaning of Rule 144A(d)(3) under the Securities Act) as the 2019 VMTP Shares are listed on any national securities exchange registered under Section 6 of the Exchange Act or quoted in a U.S. automated inter-dealer quotation system.
3. The Issuer will take all reasonable measures to ensure that any Bloomberg screen containing information about the 2019 VMTP Shares includes the following (or similar) language:
  - the "Note Box" on the bottom of the "Security Display" page describing the 2019 VMTP Shares will state: "Iss'd Under 144A."
  - the "Security Display" page will have flashing a red indicator "See Other Available Information."
  - the indicator will link to the "Additional Security Information" page, which will state that the securities "are being offered in reliance on the exemption from registration under Rule 144A of the Securities Act to persons who are qualified institutional buyers (as defined in Rule 144A under the Securities Act)."
4. The Issuer will instruct The Depository Trust Company ("DTC") to take these or similar steps with respect to the 2019 VMTP Shares:
  - the DTC 20-character security descriptor and 48-character additional descriptor will indicate that sales are limited to QIBs.
5. The Issuer has confirmed that CUSIP has established a "fixed field" attached to the CUSIP number for the 2019 VMTP Shares containing the "144A" indicator.
6. The Issuer has made in the past five (5) years all the filings with the Securities and Exchange Commission that it is required to make under the 1940 Act and the rules and regulations thereunder (the "1940 Act Rules and Regulations") (each such filing, a "1940 Act Document") and each 1940 Act Document complied at the time of filing in all material respects with the requirements of the 1940 Act and the 1940 Act Rules and Regulations.
7. Other than the pursuant to the Registration Rights Agreement, no holders of the 2019 VMTP Shares have rights to the registration of such 2019 VMTP Shares.
8. The Issuer is not in violation or default of any provision of its Charter or the Articles Supplementary, or in material violation of (i) the terms of any material indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject or (ii) any material statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Issuer or any of its properties, except to the extent that the same could not be reasonably expected to give rise to a Material Adverse Effect.
9. The Issuer has not distributed and, prior to the Effective Date, will not distribute any written material in connection with the offer of the 2019 VMTP Shares other than the Information Statement (including any amendments or supplements thereto) and copies of the Articles Supplementary, the Purchase Agreement and the Registration Rights Agreement.
10. The Issuer has not taken, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Issuer to facilitate the sale of the 2019 VMTP Shares, and the Issuer is not aware of any such action taken or to be taken by any affiliates of the Issuer.
11. Each of the Advisory Agreement, dated January 28, 2002, between the Issuer and the Investment Adviser, the Custody Agreement, dated as of January 31, 2002, among various registered investment companies advised by the Investment Adviser and State Street Bank and Trust Company; and the Amendment dated August 28, 2019 to the Transfer Agency and Service Agreement dated November 1, 2005, between the Issuer and Computershare, Inc. complies in all material respects with all applicable provisions of the 1940 Act, the 1940 Act Rules and Regulations and the Advisory Agreement has been approved in accordance with Sections 15(a) and (c) of the 1940 Act.
12. Other than those taxes and fees that customary in connection with the sale of securities, there are no transfer taxes or other similar fees or charges under federal law or the laws of any state, or any political subdivision thereof, required to be paid in connection with the execution and delivery of this Agreement or the issuance by the Issuer of the 2019 VMTP Shares.
13. The Issuer has adopted and implemented written policies and procedures reasonably designed to prevent violation of the Federal Securities Laws (as that term is defined in Rule 38a-1 under the 1940 Act) by the Issuer, including policies and procedures that provide oversight of compliance by each investment adviser and transfer agent of the Issuer.
14. Assuming compliance by the Purchaser of its representations, warranties, covenants and agreements in this Agreement, the offer and sale of the 2019 VMTP Shares has been conducted in a manner by the Issuer and its agents so as not to violate any applicable federal securities laws, including the 1940 Act and the 1940 Act Rules and Regulations, the Advisers Act and the Advisers Act Rules and Regulations, or any applicable state laws.

## REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**"), executed as of August 28, 2019, is made between AllianceBernstein National Municipal Income Fund, Inc., a closed-end fund organized as a Maryland corporation (the "**Fund**") and Banc of America Preferred Funding Corporation, a Delaware corporation, including its successors by merger or operation of law ("**Banc of America**" or the "**Shareholder**").

### RECITALS

A. As of the date hereof, Banc of America holds 5,754 2019 VMTP Shares (as defined below) issued by the Fund; and

B. The Fund and the Shareholder have entered into that certain VMTP Purchase Agreement dated as of August 28, 2019 (the "**Purchase Agreement**"), regarding the purchase of the 2019 VMTP Shares of the Fund and certain other rights and obligations of the parties thereto as set forth therein

NOW THEREFORE, the Parties hereby agree to enter into this Agreement to provide for certain registration rights as follows

1. **Certain Definitions.** As used in this Agreement, the following terms have the following respective meanings:

"**2019 VMTP Shares**" means the 5,754 variable rate munifund term preferred shares of the Fund, with par value of U.S. \$0.001 per share and a liquidation preference of U.S. \$25,000 per share.

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with such Person (including any Subsidiary) and "**Affiliates**" shall have correlative meaning. For the purpose of this definition, the term "**Control**" (including with correlative meanings, the terms "**Controlling**", "**Controlled by**" and "**under common Control with**"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"**Agreement**" has the meaning set forth in the preamble to this Agreement.

"**AllianceBernstein Persons**" means the Investment Adviser and affiliated persons (as defined in Section 2(a)(3) of the 1940 Act) of the Investment Adviser.

"**Articles Supplementary**" means the Articles Supplementary containing the terms of the 2019 VMTP Shares, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"**Banc of America**" has the meaning set forth in the preamble to this Agreement.

"**Blue Sky**" means the statutes of any state regulating the sale of corporate securities within that state.

"**Board**" means the board of directors of the Fund or any duly authorized committee thereof.

"**Business Day**" means any day (a) other than a day on which commercial banks in the City of New York, New York are required or authorized by law or executive order to close and (b) the New York Stock Exchange is not closed.

"**Commission**" means the United States Securities and Exchange Commission.

"**Demand Registration**" has the meaning set forth in Section 3.1 of this Agreement.

"**Effective Date**" means the date of this Agreement.

"**FINRA**" shall mean the Financial Industry Regulatory Authority or any successor.

"**Form N-2**" means such form used by closed-end management investment companies for filing a registration statement (i) under Section 8(b) of the 1940 Act; (ii) under the Securities Act and any amendment thereto; or (iii) any combination of (i) and (ii) in effect on the date hereof or any successor registration form adopted by the Commission.

"**Fund**" has the meaning set forth in the preamble to this Agreement.

"**Fund Indemnified Persons**" means, the Fund and its affiliates and directors, officers, partners, employees, agents, representatives and control persons, entitled to indemnification by the Holders under Section 7.

"**Holder**" means each Shareholder and any Permitted Transferees of any Shareholder.

"**Holder Indemnified Persons**" means, with respect to the Holder, such Holder and its affiliates and directors, officers, partners, employees, agents, representatives and control persons, entitled to indemnification by the Fund under Section 7.

"**Initiating Holder(s)**" has the meaning set forth in Section 3.1 of this Agreement.

"**Investment Adviser**" means AllianceBernstein L.P., or any successor company or entity thereto, and any successor investment adviser to the Fund.

"**Majority Holders**" means the Holder(s) of more than 50% of the Outstanding 2019 VMTP Shares, provided that it must include the Shareholder and its Permitted Transferees.

"**1940 Act**" means the Investment Company Act of 1940, as amended.

"**Outstanding**" has the meaning set forth in the Articles Supplementary.

"**Parties**" means collectively the Fund, the Shareholder and any Permitted Transferee who becomes a party to this Agreement. Each of the Parties shall be referred to as a "**Party**."

"**Permitted Transferee**" means, on any date prior to the 2019 VMTP Shares having been registered under the Securities Act, any Person permitted to be a Holder of 2019 VMTP Shares pursuant to Section 2.18 of the Articles Supplementary to which 2019 VMTP Shares are transferred in compliance with Section 8.11.

"**Person**" means and includes an individual, a partnership, the Fund, a trust, a corporation, a limited liability company, an unincorporated association, a joint



venture or other entity or a government or any agency or political subdivision thereof.

"**Prospectus**" shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, any prospectus filed by the Fund under Rule 430A or Rule 497 under the Securities Act in connection therewith, and any advertising or sales material prepared by the Fund and filed under Rule 482 under the Securities Act in connection therewith, including in each such case all amendments and supplements to any such prospectus, advertising or sales material, and in each case including all material incorporated by reference therein.

"**Public Offering**" means an offering of Registrable Securities pursuant to an effective registration statement under the Securities Act.

"**Purchase Agreement**" has the meaning set forth in the recitals to this Agreement.

"**Registration**" means a registration of securities effected by preparing and filing a Registration Statement and the declaration ordering of the effectiveness of that Registration Statement, and the terms "**Register**" and "**Registered**" have meanings correlative with the foregoing.

"**Registrable Securities**" means (i) 2019 VMTP Shares owned by the Shareholder or any Permitted Transferee, and (ii) 2019 VMTP Shares or any other securities of the Fund issued as a dividend or other distribution with respect to, or in exchange for, or in replacement of, the 2019 VMTP Shares referred to in clause (i).

"**Registration Expenses**" means all expenses incurred by the Fund in complying with Section 3 of this Agreement, including, without limitation, all Registration, qualification, and filing fees, printing expenses, fees and disbursements of counsel for the Fund, reasonable fees and disbursements of one special counsel (selected by the Majority Holders) for all Holders (if different from counsels to the Fund) up to an amount not to exceed U.S.\$30,000, reasonable Blue Sky fees and expenses, the expense of any reasonably necessary special audits or comfort letters incident to or required by a Registration and the reasonable costs and expenses of attending domestic road show presentations. Registration Expenses do not include any underwriting discounts or commissions or any fees or expenses of counsel to the Holders in excess of such U.S. \$30,000 amount referred to above.

"**Registration Statement**" means a registration statement prepared on Form N-2 under the Securities Act including the related preliminary prospectus or prospectuses.

"**Securities Act**" means the United States Securities Act of 1933, as amended, and, as applicable, the rules and regulations of the Commission promulgated thereunder, all as from time to time in effect.

"**Shareholder**" has the meaning set forth in the preamble to this Agreement.

"**Underwriters' Representative**" has the meaning set forth in Section 3.3(b) of this Agreement.

"**U.S. \$**" means United States dollars.

**2. Registration Rights; Applicability of Rights.** The Holders shall be entitled to the rights with respect to the registration of the Registrable Securities set forth in this Agreement.

**3. Demand Registration.**

3.1. *Request for Registration.* If the Fund receives from the Majority Holders (referred to as the "**Initiating Holder(s)**") a request in writing that the Fund effect any Registration with respect to the Registrable Securities, subject to the terms of this Agreement, the Fund shall (i) within 10 Business Days of receipt of such written request, give written notice of the proposed Registration to all other Holders, and (ii) as soon as practicable, use its commercially reasonable efforts to effect Registration of those Registrable Securities ("**Demand Registration**") which the Fund has been so requested to register within 30 calendar days or, if the 30<sup>th</sup> calendar day shall not be a Business day, the next succeeding Business Day, together with all other Registrable Securities which the Fund has been requested to register by Holders thereof by written request given to the Fund within 10 days after receiving written notice from the Fund, subject to the limitations of this Section 3. The Fund shall not be obligated to take any action to effect any Registration pursuant to this Section 3.1 after the Fund has effected one Registration pursuant to this Section 3.1 and such Registration has not been subject to a "stop order" of the Commission. The Demand Registration may be exercised only once prior to the Term Redemption Date, as defined in the Articles Supplementary, and may not be exercised within 180 days of the Term Redemption Date. The substantive provisions of Section 3.3 shall be applicable to any Registration initiated under this Section 3.1.

3.2. *Right of Deferral.* Notwithstanding the foregoing, the Fund shall not be obligated to file a Registration Statement pursuant to this Section 3 if the Fund furnishes to the Initiating Holders a certificate signed by the chief executive officer of the Fund or the chairman of the Board stating that, in the good faith judgment of the Board, filing in the near future a Registration Statement pursuant to this Section 3 could reasonably be expected to be seriously detrimental to the Fund or its shareholders. In such event, the Fund's obligation to use its commercially reasonable efforts to file a Registration Statement shall be deferred for a period not to exceed 90 days from the receipt of the request to file the Registration Statement by the Initiating Holder(s) (for purposes of this Section 3.2, a "**90 day period**"); *provided*, that the Fund shall not exercise the right to delay a request contained in this Section 3.2 more than once in any 12-month period, and *provided further*, that during such 90 day period, the Fund shall not file a Registration Statement with respect to any preferred shares of the Fund except as agreed to in writing by the Parties.

3.3. *Underwriting in Demand Registration.*

(a) *Notice of Underwriting.* If the Initiating Holder(s) intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Fund as a part of their request made pursuant to this Section 3, and the Fund shall include that information in the written notice referred to in Section 3.1 of this Agreement. The right of any Holder to request Registration pursuant to this Section 3 shall be conditioned upon such Holder's agreement to participate in the underwriting and the inclusion of that Holder's Registrable Securities in the underwriting to the extent provided herein.

(b) *Selection of Underwriter in Demand Registration.* The Fund shall (together with all Holders proposing to distribute their securities through the underwriting) enter into an underwriting agreement in customary form for an underwritten offering made solely by selling shareholders with the underwriter or, if more than one, the lead underwriter acting as the representative of the underwriters (the "**Underwriters' Representative**") selected for the underwriting by the Initiating Holder(s) and with the consent of the Fund, not to be unreasonably withheld.

(c) *Marketing Limitation in Demand Registration.* Notwithstanding any other provision of this Section 3, in the event the Underwriters' Representative advises the Fund in writing that market factors (including, without limitation, the aggregate number of 2019 VMTP Shares requested to be Registered, the general condition of the market, and the status of the Persons proposing to sell securities pursuant to the Registration) require a limitation of the number of shares to be underwritten, then the Fund shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the Registration and underwriting shall be allocated among all Holders of such Registrable Securities on a pro rata basis based on the number of Registrable Securities requested to be included in the Registration by all such selling Holders (including the Initiating Holder(s)); *provided, however*, that the number of Registrable Securities to be included in any such underwriting held by Holders shall not be reduced unless all other securities of the Fund, its Affiliates and AllianceBernstein Persons are first entirely excluded from the underwriting. Unless the prior written consent of the Majority Holders has been obtained, the number of the Registrable Securities included in any such underwriting shall not be reduced to less than 90% of the number of the Registrable Securities requested to be included. Any Registrable Securities or other securities excluded from the underwriting by reason of this Section 3.3(c) shall be withdrawn from the Registration. To facilitate the allocation of shares in accordance with the foregoing, the Fund or the underwriters may round the number of shares allocated to any Holder to the nearest one share.

(d) *Right of Withdrawal in Demand Registration.* If any Holder of Registrable Securities (other than the Initiating Holder(s)) disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Fund and the Underwriters' Representative proposing to distribute their securities through the underwriting, delivered at least 20 days prior to the effective date of the Registration Statement. If any Initiating Holder elects to withdraw, such withdrawal shall be conditioned on the payment by such withdrawing Initiating Holder to the Fund of the Registration Expenses incurred in connection with such withdrawal. Such payment obligation shall be joint and several among the withdrawing Initiating Holders, and the payment shall be made within thirty (30) days after the delivery to the withdrawing Initiating Holders of an invoice stating such Registration Expenses in reasonable detail. An Initiating Holder's Demand Registration shall be terminated if such Initiating Holder elects to withdraw pursuant to this Section 3.3(d); *provided however*, such rights shall be preserved if all additional Holders who had elected to participate also withdraw from such underwriting. The securities so withdrawn shall also be withdrawn from the Registration Statement.

4. **Expenses of Registration.** All Registration Expenses incurred in connection with any Registration pursuant to Section 3.1 shall be borne by the Fund.

5. **Assignability of Registration Rights; Termination of Registration Rights; Limitation on Subsequent Registration Rights**

5.1. *Assignability of Registration Rights.* Except as provided in Section 8.11, no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the written consent of the other Party to this Agreement.

5.2. *Termination of Registration Rights.* The rights to cause the Fund to register Registrable Securities granted under Section 3 of this Agreement and to receive notices pursuant to Section 3 of this Agreement, shall terminate on the earliest of (i) 180 days prior to the Term Redemption Date, as provided in Section 3.1, (ii) a notice of redemption having been issued by the Fund pursuant to the Articles Supplementary for the redemption of all of the Registrable Securities, or the repurchase by the Fund (including by exchange of securities) and cancellation of all of the Registrable Securities and (iii) the date a Demand Registration has been effected and the Registrable Securities have been sold or otherwise disposed of in accordance with the plan of distribution set forth in the Registration Statement and Prospectus relating thereto or all Holders have withdrawn from the Demand Registration and (iv) with respect to an Initiating Holder, the date that the Initiating Holder's Demand Registration rights are terminated pursuant to Section 3.3(d).

6. **Registration Procedures and Obligations.** Whenever required under this Agreement to effect the Registration of any Registrable Securities, the Fund shall, as expeditiously as commercially reasonably possible (subject to the notice provisions of Section 3.1):

(a) (i) prepare and file with the Commission a Registration Statement which (x) shall be on Form N-2, if available, (y) shall be available for the sale or exchange of the Registrable Securities in accordance with the intended method or methods of distribution by the selling Holders thereof, and (z) shall in all material respects comply as to form with the requirements of the applicable form and include all financial statements required by the Commission to be filed therewith and all other information reasonably requested by the Underwriters' Representative to be included therein relating to the underwriters and plan of distribution for the Registrable Securities; (ii) use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective for up to 90 days or, if earlier, until the Holder or Holders have completed the distribution thereto or withdrawn from such plan of distribution; (iii) cause each Registration Statement, as of the effective date of such Registration Statement, (x) to comply in all material respects with any applicable requirements of the Securities Act and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (iv) cause each Prospectus, as of the date thereof, (x) to comply in all material respects with any requirements of the Securities Act and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(b) subject to Section 6(a), prepare and file with the Commission such amendments and post-effective amendments to such Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period; cause each such Prospectus to be supplemented by any required prospectus supplement, and as so supplemented to be filed pursuant to applicable rules under the Securities Act; and comply in all material respects with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such Registration Statement during the applicable period set forth in Section 6(a)(ii) in accordance with the intended method or methods of distribution by the selling Holders thereof, as set forth in such Registration Statement;

(c) furnish to each Holder for which the Registrable Securities are being registered and to each underwriter of an underwritten offering of the Registrable Securities, if any, without charge, as many copies of each Prospectus, including, without limitation, each preliminary Prospectus, and any amendments or supplements thereto and such other documents as such Holder or underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities; the Fund hereby consents to the use of the Prospectus, including, without limitation, each preliminary Prospectus, by each Holder for which the Registrable Securities are being registered and each underwriter of an underwritten Public Offering of the Registrable Securities, if any, in connection with the offering and sale of the Registrable Securities covered by the Prospectus or the preliminary Prospectus, as applicable;

- (d) (i) use its commercially reasonable efforts to register or qualify the Registrable Securities, no later than the time the applicable Registration Statement is declared effective by the Commission, under all applicable state securities or Blue Sky laws of such United States jurisdictions as the Underwriters' Representative, if any, or any Holder having Registrable Securities covered by a Registration Statement, shall reasonably request; (ii) use its commercially reasonable efforts to keep each such registration or qualification effective during the period such Registration Statement is required to be kept effective; and (iii) do any and all other acts and things which may be reasonably necessary to enable each underwriter, if any, and any such Holder to consummate the disposition in each such jurisdiction of such Registrable Securities the registration of which such Holder is requesting; *provided, however*, that the Fund shall not be obligated to qualify to do business or to file a general consent to service of process in any such state or jurisdiction, unless the Fund is already subject to service in such jurisdiction and except as may be required by the Securities Act;
- (e) notify each Holder for which the Registrable Securities are being registered promptly, and, if requested by such Holder, confirm such advice in writing, (i) when such Registration Statement has become effective and when any post-effective amendments and supplements thereto become effective, (ii) of the issuance by the Commission or any state securities authority of any stop order, injunction or other order or requirement suspending the effectiveness of such Registration Statement or the initiation of any proceedings for that purpose, (iii) if, between the effective date of such Registration Statement and the closing of any sale of Registrable Securities covered thereby pursuant to any agreement to which the Fund is a party relating to such sale, the representations and warranties of the Fund contained in such agreement cease to be true and correct in all material respects or if the Fund receives any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose, and (iv) when the Fund discovers the happening of any event during the period such Registration Statement is effective as a result of which such Registration Statement or the related Prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;
- (f) furnish to a designated single counsel for each of the underwriters (if any) and for the Holders for which the Registrable Securities are being registered, copies of any request by the Commission or any state securities authority for amendments or supplements to a Registration Statement and Prospectus or for additional information;
- (g) use its commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement at the earliest possible time;
- (h) upon request, furnish to the Underwriters' Representative of an underwritten Public Offering of the Registrable Securities (if any), without charge, at least one signed copy of such Registration Statement and any post-effective amendment thereto, including financial statements and schedules, all documents incorporated therein by reference and all exhibits; and upon request furnish to each Holder for which the Registrable Securities are being registered, without charge, at least one conformed copy of each Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);
- (i) upon the Fund's discovery of the occurrence of any event contemplated by paragraph (e)(iv) of this Section, use commercially reasonable efforts to prepare a supplement or post-effective amendment to such Registration Statement or the related Prospectus, or any document incorporated therein by reference, or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (j) enter into customary agreements (including, in the case of an underwritten Public Offering, underwriting agreements in customary form for sales only by selling shareholders, and including provisions with respect to indemnification and contribution in customary form and consistent with the provisions relating to indemnification and contribution contained herein) and take all other customary and appropriate actions that are commercially reasonable in order to expedite or facilitate the disposition of such Registrable Securities in accordance with the plan of distribution set forth in the Registration Statement and the Prospectus, and in connection therewith:
- (i) in the case of any underwritten Public Offering, make such representations and warranties, in such form, substance and scope as are customarily made by issuers to underwriters in similar underwritten offerings, to (x) the underwriters, and (y) insofar as they relate to the nature and the validity of the offering, the selling Holders of such Registrable Securities;
- (ii) in the case of any underwritten Public Offering, obtain opinions of counsel to the Fund and updates thereof (if any) addressed to (x) the underwriters, and (y) insofar as they relate to the nature and the validity of the offering, each selling Holder, covering the matters customarily covered in opinions requested in similar underwritten offerings and such other matters as may be reasonably requested by underwriters and such Holders (and which opinions (in form, scope and substance) shall be reasonably satisfactory to the Underwriters' Representative, if any, and, where relevant, the Majority Holders of the Registrable Securities being sold);
- (iii) in the case of any underwritten Public Offering, obtain "comfort" letters or "agreed-upon procedures" letters and updates thereof from the Fund's independent registered public accounting firm addressed to the selling Holders of the Registrable Securities, if permissible, and underwriters, which letters shall be customary in form and shall cover matters of the type customarily covered in such letters to underwriters and such Holders in connection with firm commitment underwritten offerings;
- (iv) to the extent requested and customary for the relevant transaction, enter into a securities sales agreement with the selling Holders providing for, among other things, the appointment of such representative as agent for the selling Holders for the purpose of soliciting purchases of the Registrable Securities, which agreement shall be customary in form, substance and scope and shall contain customary representations, warranties and covenants relating to the nature and validity of the offering; and
- (v) deliver such customary documents and certificates as may be reasonably requested by a designated representative of the Majority Holders of the Registrable Securities being sold (the "**Designated Representative**") or by the Underwriters' Representative, if any.

- (k) make available for inspection by the Designated Representative and by any underwriters participating in any disposition pursuant to such Registration Statement and a single counsel or accountant retained by such Holders or by counsel to such underwriters, all relevant material financial and other records, pertinent material corporate documents and properties of the Fund, except to the extent prohibited by law or regulation, and cause the respective officers, directors and employees of the Fund to supply all material information reasonably requested by such Designated Representative, underwriter, counsel or accountant in connection with such Registration Statement, provided that, prior to providing such information, the requesting party shall have entered into a confidentiality agreement satisfactory to the Fund;
- (l) within a reasonable time prior to the filing of any Registration Statement, any Prospectus, any amendment to a Registration Statement or amendment or supplement to a Prospectus, provide copies of such document to the selling Holders of the Registrable Securities and to counsel to such Holders and to the underwriter or underwriters of a underwritten Public Offering of the Registrable Securities, if any; fairly consider such reasonable changes in any such document prior to or after the filing thereof as the counsel to the Holders or the underwriter or the underwriters may request and not file any such document in a form to which the Majority Holders of the Registrable Securities being registered or any Underwriters' Representative shall reasonably object unless required by law; and make such of the representatives of the Fund as shall be reasonably requested by the Designated Representative or the Underwriters' Representative available for discussion of such document;
- (m) otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, including making available to its security holders an earnings statement covering at least 12 months which shall satisfy the provisions of the Securities Act and the rules thereunder;
- (n) cooperate and assist with all reasonable requests relating to any filings required to be made with FINRA and in the performance of any due diligence investigation by any underwriter in an underwritten offering; and
- (o) use its commercially reasonable efforts to facilitate the distribution and sale of any Registrable Securities to be offered pursuant to this Agreement, including without limitation by participating in domestic road show presentations, holding meetings with potential investors and taking such other actions as shall be reasonably requested by the Designated Representative or the lead managing underwriter of an underwritten offering.

Each selling Holder of the Registrable Securities as to which any Registration is being effected pursuant to this Agreement agrees, as a condition to the Registration obligations with respect to such Holder provided herein, to furnish to the Fund such information regarding such Holder required to be included in the Registration Statement, the ownership of the Registrable Securities by such Holder (including information on the Persons having voting and dispositive control thereof) and the proposed distribution by such Holder of such Registrable Securities as the Fund may from time to time reasonably request in writing. Each selling Holder of the Registrable Securities as to which any Registration is being effected pursuant to this Agreement also agrees, as a condition to the Registration obligations with respect to such Holder provided herein, to suspend use of any Prospectus if it has received the notification contemplated by Section 6(e)(iv) until such time as the Fund notifies such Holder that it has complied with Section 6(i) above.

## 7. Indemnification.

7.1. *Fund's Indemnification of Holders.* The Fund agrees to indemnify and hold harmless each Holder and each other Holder Indemnified Person from and against any losses, claims, damages, liabilities or expenses incurred by them (including reasonable fees and disbursements of outside counsel) which are related to or arise out of any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any Prospectus or in any amendment or supplement thereto, or arise out of or relate to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (i) such untrue statements or alleged untrue statements or omissions or alleged omissions are based upon information regarding such Holder or its Affiliates furnished in writing to the Fund by such Holder or such Holder's counsel expressly for use therein, or to the extent that such information relates to such Holder or its Affiliates, or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder or such Holder's counsel expressly for use in a Registration Statement, such Prospectus or in any amendment or supplement thereto or (ii) in the case of an occurrence of an event of the type specified in Section 6(e)(iv), the use by such Holder of an outdated, defective or otherwise unavailable Prospectus after the Fund has notified such Holder in writing that the Prospectus is unavailable for use by such Holder and prior to the receipt by such Holder of a notice that the Fund has complied with Section 6(i) above.

7.2. *Holders' Indemnification of Fund.* Each Holder, severally and not jointly, agrees to indemnify and hold harmless the Fund and each other Fund Indemnified Person from and against any losses, claims, damages, liabilities or expenses incurred by them (including reasonable fees and disbursements of outside counsel) which are related to or arise out of any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any Prospectus or in any amendment or supplement thereto, or arise out of or relate to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, to the extent, but only to the extent, that (A) such untrue statements or alleged untrue statements or omissions or alleged omissions are based upon information regarding such Holder or its Affiliates furnished in writing to the Fund by such Holder or such Holder's counsel expressly for use therein, or to the extent that such information relates to such Holder or its Affiliates or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder or such Holder's counsel expressly for use in a Registration Statement, such Prospectus or in any amendment or supplement thereto or (B) in the case of an occurrence of an event of the type specified in Section 6(e)(iv), the use by such Holder of an outdated, defective or otherwise unavailable Prospectus after the Fund has notified such Holder in writing that the Prospectus is unavailable for use by such Holder and prior to the receipt by such Holder of a notice that the Fund has complied with Section 6(i) above. In no event shall the liability of any selling Holder under this Section 7.2 be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation, except in the case of fraud or willful misconduct.

7.3. *Indemnification Procedure.* If any action, suit, proceeding or investigation shall be brought or asserted against any Person entitled to indemnity hereunder (the "**Indemnified Party**"), such Indemnified Party shall notify the Person from whom indemnity is sought (the "**Indemnifying Party**") in writing with reasonable promptness; *provided, however*, that any failure by an Indemnified Party to notify the Indemnifying Party shall not relieve the Indemnifying Party from its obligations hereunder (except to the extent that the Indemnifying Party is materially prejudiced by such failure to promptly notify). The Indemnifying Party shall be entitled to assume the defense of any such action, suit, proceeding or investigation, including the employment of counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall have the right to separate counsel of its own choice to represent it, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party has failed promptly to assume the defense and employ counsel reasonably satisfactory to the Indemnified Party in accordance with the preceding sentence or (ii) the Indemnified Party shall have been advised by counsel that there exist actual or potential conflicting interests between the Indemnifying Party and such Indemnified Party, including situations in which one or more legal defenses may be available to such Indemnified Party that are different from or additional to those available to the Indemnifying Party; *provided, however*, that the Indemnifying Party shall not, in connection with any one such action or proceeding or separate but substantially similar actions or proceedings arising out of the same general allegations be liable for fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties of the other party; and such counsel shall, to the extent consistent with its professional responsibilities, cooperate with the Indemnifying Party and any counsel designated by the Indemnifying Party.

The Indemnifying Party shall not be liable for any settlement of any such action, suit, investigation or proceeding effected without its written consent, which consent shall not be unreasonably withheld, conditioned or delayed. No Indemnifying Party will, without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed), settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or

proceeding in respect of which indemnification may be sought by the Indemnified Party hereunder (whether or not any Indemnified Party is an actual or potential party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of each Indemnified Party from all liability and obligations arising therefrom.

7.4. *Contribution.* Each Indemnifying Party also agrees that if any indemnification sought by an Indemnified Party pursuant to this Agreement is unavailable or insufficient, for any reason, to hold harmless the Indemnified Party in respect of any losses, claims, damages or liabilities (or actions in respect thereof), then the Indemnifying Party, in order to provide for just and equitable contribution, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, liabilities, damages and expenses (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the Fund on the one hand and the Holders on the other, in connection with the statements or omissions or alleged statements or omissions that resulted in such losses, claims, damages, liabilities or expenses (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault of the parties shall be determined by reference to, among other things, whether the actions taken or omitted to be taken in connection with the proposed transactions contemplated by this Agreement (including any misstatement of a material fact or the omission to state a material fact) relates to information supplied by the Fund on the one hand, or the Holder on the other, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, misstatement or alleged omission, and any other equitable considerations appropriate in the circumstances. No person found liable for a fraudulent misrepresentation shall be entitled to contribution from any person who is not also found liable for such fraudulent misrepresentation. In no event shall the liability of any selling Holder under this Section 7.4 be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such contribution obligation, except in the case of fraud or willful misconduct. The indemnity, reimbursement and contribution obligations under this Agreement shall be in addition to any rights that any Indemnified Party may have at common law or otherwise.

7.5. *No Limitations.* Nothing in this Section 7 is intended to limit any party's obligations contained in other parts of this Agreement or any other agreements or investments with respect to the 2019 VMTP Shares, provided that no amount shall be reimbursed twice in any event.

7.6. *Conflicts.* Notwithstanding the foregoing, to the extent that provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

## 8. Miscellaneous.

8.1. *Governing Law.* This Agreement shall be construed in accordance with and governed by the domestic law of the State of New York.

THE PARTIES HERETO HEREBY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND NEW YORK STATE COURTS LOCATED IN THE CITY OF NEW YORK IN CONNECTION WITH ANY DISPUTE RELATED TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY.

8.2. *No Waivers.*

(a) The obligations of the Fund and the Shareholder and its Permitted Transferees hereunder shall not in any way be modified or limited by reference to any other document, instrument or agreement (including, without limitation, the 2019 VMTP Shares). The rights of the Shareholder hereunder are separate from and in addition to any rights that any Holder of any 2019 VMTP Share may have under the terms of such 2019 VMTP Share or otherwise.

(b) No failure or delay by the Fund or the Shareholder in exercising any right, power or privilege hereunder or under the 2019 VMTP Shares shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No failure or delay by the Fund or the Shareholder in exercising any right, power or privilege under or in respect of the 2019 VMTP Shares shall affect the rights, powers or privileges of the Fund or the Shareholder hereunder or shall operate as a limitation or waiver thereof. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

8.3. *Specific Performance.* Each Party hereby acknowledges that the remedies at law of the other Parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any Party, without posting any bond, and in addition to all other remedies that may be available, shall be entitled to seek equitable relief in the form of specific performance, injunctions or any other equitable remedy.

8.4. *Waiver of Jury.* THE FUND AND THE SHAREHOLDER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

8.5. *Counterparts and Facsimile Execution.* This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Any counterpart or other signature delivered by facsimile or electronic mail shall be deemed for all purposes as being a good and valid execution and delivery of this Agreement by that party.

8.6. *Headings.* The headings of the Sections of this Agreement are for convenience and shall not by themselves determine the interpretation of this Agreement.

8.7. *Notices.* All notices, requests and other communications to any party hereunder shall be in writing (including electronic mail or similar writing), and shall be given to such party at its address or email address set forth below or such other address or telecopy number or email address as such party may hereafter specify for the purpose by notice to the other parties. Each such notice, request or other communication shall be effective when delivered at the address specified in this Section. The notice address for each party is specified below:

If to the Fund, to:

AllianceBernstein National Municipal Income Fund, Inc.  
c/o AllianceBernstein L.P.  
1345 Avenue of the Americas  
New York, New York 10105  
Attention: Terry Hults  
Telephone: (212) 969-6453  
Email: terry.hults@abglobal.com

If to Banc of America, to:

Banc of America Preferred Funding Corporation  
One Bryant Park  
1111 Avenue of the Americas, 9<sup>th</sup> Floor

New York, NY 10036  
Attention: Thomas J. Visone  
Jason Strand  
Todd Blasiak  
Michael Jentis  
Lisa Irizarry  
Telephone: (212) 449-7358 (Visone, Blasiak, Irizarry) /  
(980) 386-4161 (Strand) / (212) 449-8300 (Jentis)  
Email: thomas.visone@baml.com  
jason.strand@bankofamerica.com  
todd.blasiak@baml.com  
lisa.m.irizarry@baml.com  
michael.jentis@baml.com

8.8. *Amendments and Waivers.* Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Fund and the Holders of not less than a majority of the Registrable Securities (calculated on an as-converted basis).

8.9. *Severability.* In case any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby so long as the intent of the Parties to this Agreement is preserved.

8.10. *Entire Agreement.* This Agreement and the Purchase Agreement shall constitute the entire agreement and understanding between the parties hereto with respect to the matters set forth herein and shall supersede any and all prior agreements and understandings relating to the subject matter hereof.

8.11. *Successors and Assigns; Assignment.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns by merger or the operation of law. Neither the Fund nor the Shareholder may assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other party (other than by merger or operation of law), except that prior to the 2019 VMTP Shares being registered under the Securities Act, any transferee of 2019 VMTP Shares satisfying the requirements set forth in Section 2.1(b) of the Purchase Agreement shall have the rights of a Holder hereunder so long as it has executed a Transferee Letter in the form contemplated by the Purchase Agreement and otherwise agrees to be bound by the provisions of this Agreement. Any assignment without such prior written consent shall be void.

8.12. *Effectiveness of this Agreement.* This Agreement shall be effective as of the Effective Date and the rights and obligations of the Parties contained herein in each case shall be binding as of the Effective Date.

[Signatures follow on the next page.]

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IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement on the date first written above.

**THE FUND:**

AllianceBernstein National Municipal Income Fund, Inc.

By: /s/ Robert M. Keith

Name: Robert M. Keith

Title: President

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**THE SHAREHOLDER:**

Banc of America Preferred Funding Corporation

By: /s/ Michael Jentis

Name: Michael Jentis

Title: Authorized Signatory

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[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT FOR ALLIANCEBERNSTEIN NATIONAL MUNICIPAL INCOME FUND, INC.]

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