
INDENTURE OF TRUST

Dated as of July 1, 2024

by and between the

**SUCCESSOR AGENCY TO THE
DISSOLVED LOMPOC REDEVELOPMENT AGENCY**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Relating to

**[\$[PAR]]
Successor Agency to the
Dissolved Lompoc Redevelopment Agency
Old Town Lompoc Redevelopment Project
Tax Allocation Refunding Bonds, Series 2024**

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I: | |
| DETERMINATIONS; DEFINITIONS: | |
| Section 1.01. Findings and Determinations..... | 3 |
| Section 1.02. Definitions | 3 |
| Section 1.03. Rules of Construction..... | 14 |
| ARTICLE II: | |
| AUTHORIZATION AND TERMS: | |
| Section 2.01. Authorization of 2024 Bonds..... | 14 |
| Section 2.02. Terms of 2024 Bonds..... | 14 |
| Section 2.03. Redemption of 2024 Bonds. | 15 |
| Section 2.04. Form of 2024 Bonds. | 17 |
| Section 2.05. Execution of 2024 Bonds. | 18 |
| Section 2.06. Transfer of Bonds. | 18 |
| Section 2.07. Exchange of Bonds..... | 18 |
| Section 2.08. Registration of Bonds..... | 19 |
| Section 2.09. Temporary Bonds. | 19 |
| Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. | 19 |
| Section 2.11. Book-Entry System. | 20 |
| ARTICLE III | |
| DEPOSIT AND APPLICATION OF PROCEEDS OF 2024 BONDS | |
| Section 3.01. Issuance of 2024 Bonds. | 21 |
| Section 3.02. Application of Proceeds of Sale and Certain Other Amounts..... | 21 |
| Section 3.03. Costs of Issuance Fund. | 22 |
| Section 3.04. Refunding Fund. | 22 |
| Section 3.06. Issuance of Parity Debt..... | 22 |
| Section 3.07. Issuance of Subordinate Debt..... | 23 |
| ARTICLE IV: | |
| SECURITY OF BONDS; FLOW OF FUNDS: | |
| Section 4.01. Security of Bonds; Equal Security. | 24 |
| Section 4.02. Special Fund; Deposit of Tax Revenues. | 24 |
| Section 4.03. Deposit of Amounts by Trustee..... | 25 |
| Section 4.04. Provisions Relating to 2024 Reserve Policy | 28 |
| Section 4.05. Claims Upon the 2024 Bond Insurance Policy..... | 31 |
| Section 4.06. Rights of the 2024 Insurer | 32 |
| ARTICLE V: | |
| OTHER COVENANTS OF THE SUCCESSOR AGENCY: | |
| Section 5.01. Punctual Payment..... | 36 |
| Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances..... | 36 |
| Section 5.03. Extension of Payment. | 36 |
| Section 5.04. Payment of Claims..... | 37 |
| Section 5.05. Books and Accounts; Financial Statements. | 37 |
| Section 5.06. Protection of Security and Rights of Owners..... | 37 |
| Section 5.07. Payments of Taxes and Other Charges. | 37 |
| Section 5.08. Compliance with the Law; Recognized Obligation Payment Schedules. | 37 |
| Section 5.09. [Reserved]..... | 40 |
| Section 5.10. Dissolution Act Invalid; Maintenance of Tax Revenues..... | 40 |
| Section 5.11. No Arbitrage..... | 40 |
| Section 5.12. Private Activity Bond Limitation..... | 40 |
| Section 5.13. Federal Guarantee Prohibition..... | 40 |
| Section 5.14. Rebate Requirement..... | 40 |
| Section 5.15. Maintenance of Tax-Exemption. | 41 |

| | |
|---|----|
| Section 5.16. Continuing Disclosure | 41 |
| Section 5.17. Meet and Confer; Recognized Obligation Payment Schedule. | 41 |
| Section 5.18. Further Assurances..... | 41 |

**ARTICLE VI:
THE TRUSTEE:**

| | |
|---|----|
| Section 6.01. Duties, Immunities and Liabilities of Trustee. | 41 |
| Section 6.02. Merger or Consolidation..... | 43 |
| Section 6.03. Liability of Trustee..... | 43 |
| Section 6.04. Right to Rely on Documents and Opinions..... | 46 |
| Section 6.05. Preservation and Inspection of Documents..... | 46 |
| Section 6.06. Compensation and Indemnification. | 46 |
| Section 6.07. Deposit and Investment of Moneys in Funds..... | 47 |
| Section 6.08. Accounting Records and Financial Statements..... | 48 |
| Section 6.09. Appointment of Co-Trustee or Agent..... | 48 |
| Section 6.10. Other Transactions with Successor Agency..... | 48 |

**ARTICLE VII:
MODIFICATION OR AMENDMENT OF THIS INDENTURE:**

| | |
|--|----|
| Section 7.01. Amendment With And Without Consent of Owners..... | 49 |
| Section 7.02. Effect of Supplemental Indenture. | 49 |
| Section 7.03. Endorsement or Replacement of Bonds After Amendment..... | 50 |
| Section 7.04. Amendment by Mutual Consent..... | 50 |
| Section 7.05. Trustee's Reliance | 50 |

**ARTICLE VIII:
EVENTS OF DEFAULT AND REMEDIES OF OWNERS:**

| | |
|---|----|
| Section 8.01. Events of Default and Acceleration of Maturities..... | 50 |
| Section 8.02. Application of Funds Upon Acceleration..... | 51 |
| Section 8.03. Power of Trustee to Control Proceedings..... | 52 |
| Section 8.04. Limitation on Owner's Right to Sue..... | 52 |
| Section 8.05. Non-Waiver. | 53 |
| Section 8.06. Actions by Trustee as Attorney-in-Fact..... | 53 |
| Section 8.07. Remedies Not Exclusive..... | 53 |

**ARTICLE IX:
MISCELLANEOUS:**

| | |
|--|----|
| Section 9.01. Benefits Limited to Parties. | 54 |
| Section 9.02. Successor is Deemed Included in All References to Predecessor..... | 54 |
| Section 9.03. Defeasance of Bonds..... | 54 |
| Section 9.04. Execution of Documents and Proof of Ownership by Owners..... | 55 |
| Section 9.05. Disqualified Bonds. | 55 |
| Section 9.06. Waiver of Personal Liability..... | 55 |
| Section 9.07. Destruction of Cancelled Bonds. | 56 |
| Section 9.08. Notices. | 56 |
| Section 9.09. Partial Invalidity..... | 56 |
| Section 9.10. Unclaimed Moneys. | 57 |
| Section 9.11. Execution in Counterparts..... | 57 |
| Section 9.12. Governing Law..... | 57 |

| | |
|-----------|---|
| EXHIBIT A | FORMS OF 2024 BONDS |
| EXHIBIT B | RECOGNIZED OBLIGATION DEBT SERVICE PAYMENT SCHEDULE |

INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “Indenture”) is made and entered into and dated as of July 1, 2024, by and between the SUCCESSOR AGENCY TO THE DISSOLVED LOMPOC REDEVELOPMENT AGENCY, a public entity duly created and existing under the laws of the State of California (the “Successor Agency”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”);

WITNESSETH:

WHEREAS, the Lompoc Redevelopment Agency (the “Former Agency”) was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State, (together with the hereinafter defined Dissolution Act, and the acts amendatory thereof and supplemental thereto, the “Law”);

WHEREAS, a Redevelopment Plan (as defined herein) for the Old Town Lompoc Redevelopment Project (the “Project Area”) in the City of Lompoc, California was adopted in compliance with all requirements of the Law;

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, Section references hereinafter being to such Code), the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, and the Successor Agency has become the successor entity to the Former Agency (the “Successor Agency”);

WHEREAS, prior to the dissolution of the Former Agency, in order to provide moneys to finance redevelopment activities for the Project Area, the Former Agency entered into a Loan Agreement dated as of November 1, 2004 (the “2004 Loan Agreement”), between the Former Agency and the Lompoc Public Financing Authority (the “Authority”) pursuant to which the Authority made a loan (the “2004 Loan”) to the Former Agency in the principal amount of \$7,350,000 payable from Tax Revenues (as defined in the 2004 Loan Agreement and herein);

WHEREAS, the Authority made the 2004 Loan to the Former Agency with proceeds of its 2004 Revenue Bonds Lompoc Public Financing Authority-Aquatic Center Project (the “2004 Authority Bonds”), issued pursuant to an Indenture of Trust dated as of November 1, 2004 (the “2004 Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee;

WHEREAS, prior to the dissolution of the Former Agency, in order to provide additional moneys to finance redevelopment activities for the Project Area, the Former Agency issued its Lompoc Redevelopment Agency Old Town Lompoc Redevelopment Project Tax Allocation Bonds, Series 2010 (the “2010 Bonds”), in the original aggregate principal amount of \$8,385,000;

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5;

WHEREAS, Section 34177.5(a)(1) also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”) for the purpose of achieving debt service savings within the parameters set forth in said Section 34177.5;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State on June 28, 2011 (as amended, the “Dissolution Act”), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the 2004 Loan Agreement and the 2010 Bonds;

WHEREAS, the Successor Agency has determined that it will achieve debt service savings within such parameters by the issuance pursuant to the Law and the Refunding Law of its \$[PAR] aggregate principal amount of Successor Agency to the Dissolved Lompoc Redevelopment Agency Old Town Lompoc Redevelopment Project Tax Allocation Refunding Bonds, Series 2024 (the “2024 Bonds”) to provide funds to refund all of the outstanding 2010 Bonds;

WHEREAS, the Bonds (as defined herein), including the 2024 Bonds, will be payable from Tax Revenues (as defined herein) on a parity with the 2004 Loan;

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Serial Bonds are retired as scheduled and that the Outstanding Term Bonds are redeemed from mandatory sinking account payments as scheduled (b) the principal amount of the Outstanding Serial Bonds payable by their terms in such Bond Year, and (c) the principal amount of the Outstanding Term Bonds scheduled to be paid or redeemed from mandatory sinking account payments in such Bond Year.

“Authority” means Lompoc Public Financing Authority, a joint powers authority duly organized and existing under the Joint Exercise of Powers Agreement, dated September 18, 1989, as amended and restated on March 3, 1992, by and between the City and the Successor Agency, as successor to the Former Agency, and under the laws of the State.

“Bond” or “Bonds” means the 2024 Bonds and, if the context requires, any additional Parity Debt issued as bonds pursuant to a Supplemental Indenture in accordance with Section 3.05 hereof.

“Bond Counsel” means an attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

“Bond Year” means, any twelve-month period beginning on September 2 in any year and ending on the next succeeding September 1, both dates inclusive, except that the first Bond Year shall begin on the Closing Date, and end on September 1, 2024.

“Business Day” means a day of the year on which banks in the State or the city where the Principal Corporate Trust Office is located are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

“Chairperson” means the Mayor of the City, as the Chair and presiding officer of the Successor Agency, or other duly appointed officer of the Successor Agency authorized by the Successor Agency by resolution to perform the functions of the Chairperson in the event of the Chairperson’s absence or disqualification.

“City” means the City of Lompoc, California, a municipal corporation and general law city duly organized and existing under the laws of the State.

“Closing Date” means, with respect to the 2024 Bonds, the date on which the 2024 Bonds are delivered by the Trustee to the original purchaser thereof, being July __, 2024.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate relating to the 2024 Bonds executed by the Successor Agency dated as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to City and Successor Agency administrative staff costs, printing expenses, bond insurance and reserve policy premiums, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.03.

“County” means the County of Santa Barbara, a county duly organized and existing under the Constitution and laws of the State.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.03.

“Defeasance Obligations” means (i) cash, (ii) Federal Securities and (iii) Permitted Investments listed under subsection (b) of the definition thereof excluding Permitted Investments listed under (b)(iv) and (b)(vi).

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

“Depository System Participant” means any participant in the Depository's book-entry system.

“Dissolution Act” means Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Event of Default” means any of the events described in Section 8.01.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (iii) the investment is a United States Treasury Security -- State and Local Government Series which is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

“Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

“Fiscal Year” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

“Former Agency” means the Lompoc Redevelopment Agency, a public body corporate and politic duly organized under the Law and dissolved in accordance with the Dissolution Act.

“Indenture” means this Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

- (a) is in fact independent and not under domination of the Successor Agency;
- (b) does not have any substantial interest, direct or indirect, with the Successor Agency; and
- (c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

“Independent Redevelopment Consultant” means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom:

- (a) is judged by the Successor Agency to have experience in matters relating to the collection of tax increment revenues or otherwise with respect to the financing of redevelopment projects;

(b) is in fact independent and not under domination of the Successor Agency;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

“Information Services” means “EMMA” or the “Electronic Municipal Market Access” system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Successor Agency may designate in a Written Certificate of the Successor Agency delivered to the Trustee.

“Interest Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

“Interest Payment Date” means March 1 and September 1 in each year, commencing [September 1, 2024], so long as any of the Bonds remain Outstanding hereunder.

“Law” means the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code, together with the Dissolution Act, and the acts amendatory thereof and supplemental thereto (including the Dissolution Act).

“Maximum Annual Debt Service” means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year as certified in writing by the Successor Agency to the Trustee.

“Moody’s” means Moody’s Investor Service and its successors.

“Nominee” means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

“Oversight Board” means the Santa Barbara Countywide Oversight Board duly constituted from time to time pursuant to Section 34179 of the California Health and Safety Code.

“Owner” or “Bondowner” means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

“Parity Debt” means the 2004 Loan and any other loan, bonds, notes, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2024 Bonds in accordance with the provisions of Section 3.05.

“Parity Debt Instrument” means any resolution, indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt, including, without limitation, the 2004 Loan Agreement and a Supplemental Indenture authorized by Section 7.01(e).

“Participating Underwriter” has the meaning ascribed thereto in the Continuing Disclosure Certificate.

“Passthrough Agreements” means, collectively, the Agreement for Reimbursement of Tax Increment Funds dated January 17, 1985 by and between the Former Agency, the City and the County, and the Agreement for Reimbursement of Tax Increment Funds dated January 18, 1985 by and between the Former Agency, the City and the Lompoc Unified School District.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that the investments described therein are so authorized under the laws of the State), but only to the extent that the same are acquired at Fair Market Value and otherwise comply with the City's investment policies at the time such Permitted Investment is acquired:

(a) Federal Securities;

(b) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) obligations of the Federal Financing Bank; (iv) debentures of the Federal Housing Administration; (v) participation certificates of the General Services Administration; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of the Government National Mortgage Association; (vii) guaranteed Title XI financings of the U.S. Maritime Administration; (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of the Federal National Mortgage Association (excluding stripped mortgage securities which are valued greater than par on the portion of unpaid principal); (iv) senior debt obligations of the Student Loan Marketing Association; (v) obligations (but only the interest component of stripped

obligations) of the Resolution Funding Corporation; and (vi) consolidated system wide bonds and notes of the Farm Credit System;

(d) money market funds (including funds of the Trustee or its affiliates) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of "AAAm-G", "AAAm", or "AAm", including funds for which the Trustee, its affiliates or subsidiaries receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise;

(e) certificates of deposit secured at all times by collateral described in (a) or (b) above, which have a maturity of one year or less, which are issued by commercial banks, including affiliates of the Trustee, savings and loan associations or mutual savings banks, and such collateral must be held by a third party, and the Trustee on behalf of the Bond Owners must have a perfected first security interest in such collateral;

(f) certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates);

(g) investment agreements, including guaranteed investment contracts, which, are general obligations of an entity whose long term debt obligations, or claims paying ability, respectively, which are rated in one of the two highest rating categories by S&P or which are collateralized so as to be rated in one of the two highest rating categories by S&P;

(h) commercial paper rated, at the time of purchase, "A-1" or better by S&P;

(i) bonds or notes issued by any state or municipality which are rated by S&P in one of the two highest rating categories assigned by such agencies;

(j) money-market deposits, federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "A-1" or "A" or better by S&P;

(k) repurchase agreements for thirty (30) days or less (more than thirty (30) days which provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date, which satisfy the following criteria:

(i) repurchase agreements must be between the Trustee and (A) a primary dealer on the Federal Reserve reporting dealer list which falls under the jurisdiction of the Securities Investors Protection Corporation and which are rated "A" or better by S&P, or (B) a bank rated "A" or better by S&P;

(ii) the written repurchase agreement contract must include the following: (A) securities acceptable for transfer, which may be direct U.S. government obligations, or federal agency obligations backed by the full faith and credit of the U.S. government; (B) the term of the repurchase agreement may be up to 30 days; (C) the collateral must be delivered to the Trustee or a third party acting as agent for the Trustee simultaneous with payment (perfection by possession of certificated securities); (D) the Trustee must have a perfected first priority security interest in

the collateral; (E) the collateral must be free and clear of third-party liens and, in the case of a broker which falls under the jurisdiction of the Securities Investors Protection Corporation, are not subject to a repurchase agreement or a reverse repurchase agreement; (F) failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral; (G) the securities must be valued weekly, marked-to-market at current market price plus accrued interest and the value of collateral must be equal to 104% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest (unless the securities used as collateral are obligations of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, in which case the collateral must be equal to 105% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest). If the value of securities held as collateral falls below 104% of the value of the cash transferred by the Trustee, then additional cash and/or acceptable securities must be transferred; and

(iii) a legal opinion must be delivered to the Trustee to the effect that the repurchase agreement meets guidelines under state law for legal investment of public funds;

(l) pre-refunded municipal bonds rated “AAA” by S&P; and

(m) the Local Agency Investment Fund of the State, created pursuant to Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to deposit and withdraw from such investment directly in its own name.

“Principal Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

“Principal Corporate Trust Office” means such corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the Successor Agency. Except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the corporate trust office of U.S. Bank Trust Company, National Association, in Los Angeles, California, or such other office or agency of the Trustee at which at any particular time, its corporate trust agency shall be conducted.

“Project Area” means Old Town Lompoc Redevelopment Project as described in the Redevelopment Plan.

“Qualified Reserve Account Credit Instrument” means the (i) 2024 Reserve Policy, and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody’s have assigned a long-term credit rating to such bank or insurance company of “A” (without regard to modifier) or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account, the Principal Account or the Sinking

Account for the purpose of making payments required pursuant to Sections 4.03(a), 4.03(b) or 4.03(c) of this Indenture.

“Recognized Obligation Payment Schedule” means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the Health and Safety Code of the State.

“Record Date” means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

“Redemption Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(e).

“Redevelopment Obligation Retirement Fund” means the fund established and held by the Successor Agency pursuant to Section 34170.5(a) of the California Health and Safety Code.

“Redevelopment Plan” means the Redevelopment Plan for the Project Area, approved and adopted by Ordinance No. 1213(84) enacted by the City Council of the City and effective on November 20, 1984, together with any amendments thereof at any time duly authorized pursuant to the Law.

“Redevelopment Property Tax Trust Fund” means the fund established for the Project Area pursuant to Section 34170.5(b) of the California Health and Safety Code and administered by the Santa Barbara County Auditor–Controller.

“Registration Books” means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

“Refunding Law” means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and the acts amendatory thereof and supplemented thereto.

“Report” means a document in writing signed by an Independent Redevelopment Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

“Reserve Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(d).

“Reserve Requirement” means, subject to Section 4.03 (d), with respect to one or more series of Bonds for which a debt service reserve account or fund is to be funded and as of any date of computation, the lesser of:

(i) 125% of the average Annual Debt Service with respect to such series (or multiple series) of Bonds;

(ii) Maximum Annual Debt Service with respect to such series (or multiple series) of Bonds;
or

(iii) with respect to an individual series of Bonds, 10% of the original principal amount of such series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium (as determined in accordance with the Code), 10% of the issue price of such series of Bonds);

provided, that in no event shall the Successor Agency, in connection with the issuance of Bonds be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Bonds, be increased only by the amount of such deposit as permitted by the Code; and, provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of the definition of Qualified Reserve Account Credit Instrument herein and Section 4.03(d) hereof. For the avoidance of doubt, the Reserve Requirement for any Bonds may, at the option and instruction of the Successor Agency, be determined on a combined or standalone basis. As of the Closing Date, the Reserve Requirement for the 2024 Bonds is \$_____; the Reserve Requirement for the 2024 Bonds shall not increase following the Closing Date. The Trustee shall not be under any obligation to determine or compute whether or to what extent any amount on deposit or required to be on deposit in the Reserve Account in connection with an issuance of Bonds is in excess of the amount permitted by applicable provisions of the Code to be so deposited without yield restriction, as provided in this definition.

“S&P” means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and its successors.

“Securities Depositories” means DTC and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

“Serial Bonds” means all Bonds other than Term Bonds.

“Sinking Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

“Special Fund” means the fund held by the Successor Agency, as successor to the Former Agency, pursuant to Section 3.02 of the 2004 Loan Agreement and Section 4.02 of this Indenture.

“State” means the State of California.

“Subordinate Debt” means any loans, advances or indebtedness issued or incurred by the Successor Agency, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues, including revenue bonds and other debts and obligations scheduled for payment pursuant to Section 34183(a)(2) of the Law; or (b) secured by a pledge of or lien upon the Tax Revenues which is subordinate to (i) the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds, (ii) the Successor Agency’s obligation to pay 2024 Reserve Policy Costs to the 2024 Insurer pursuant to Section 4.04(a) hereof, and (iii) the Successor Agency’s obligation to reimburse the provider of a letter of credit, surety bond or similar instrument for the debt service reserve account for any Parity Debt.

“Subordinate Debt Instrument” means any instrument providing for the issuance of Subordinate Debt.

“Successor Agency” means the Successor Agency to the Dissolved Lompoc Redevelopment Agency, a public entity duly organized and existing under the Law.

“Supplemental Indenture” means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“Tax Revenues” means all taxes annually allocated and paid to the Successor Agency with respect to the Project Area following the Closing Date pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State and as provided in the Redevelopment Plan, including all payments, subventions and reimbursements (if any) to the Successor Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations (but excluding amounts payable by the State to the Successor Agency pursuant to the provisions of Chapter 1.5 of Part 1 of Division 4 of Title 2 (commencing with Section 16110) of the Government code of the State of California and excluding amounts payable by the Successor Agency pursuant the Passthrough Agreements and pursuant to Sections 33607.5 and 33607.7 of the Law, except and to the extent that any amounts so payable are payable on a basis subordinate to the payment of the Bonds, including any Parity Debt). Tax Revenues shall not include any amounts of such taxes that were previously required to be deposited into the Low and Moderate Income Housing Fund in any Fiscal Year pursuant to Section 33334.3 of the Law, except to the extent such amounts are permitted to be applied to the payment of principal, interest and premium (if any) with respect to the Bonds or any Parity Debt.

“Term Bonds” means (i) the 2024 Bonds maturing on September 1, 20__, and (ii) any other Bonds payable from amounts in the Sinking Account established pursuant to Section 4.03(c).

“Trustee” means U.S. Bank Trust Company, National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

“Written Request of the Successor Agency” or “Written Certificate of the Successor Agency” means a request or certificate, in writing signed by the City Manager of the City, as the chief administrative officer of the Successor Agency, the Management Services Director of the City, as the chief financial officer of the Successor Agency, or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

"2004 Authority Bonds" means the 2004 Revenue Bonds Lompoc Public Financing Authority-Aquatic Center Project, in the aggregate original principal amount of \$9,955,000, issued by the Authority pursuant to the 2004 Indenture.

"2004 Indenture" means the Indenture of Trust dated as of November 1, 2004, by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the 2004 Authority Bonds.

"2004 Loan" means the loan of \$7,350,000 from the Authority to the Former Agency made pursuant to the 2004 Loan Agreement.

"2004 Loan Agreement" means the Loan Agreement, dated as of November 1, 2004 between the Authority and the Successor Agency, as successor to the Former Agency, pursuant to which the 2004 Loan was made.

"2010 Bonds" means the Lompoc Redevelopment Agency Old Town Lompoc Redevelopment Project Tax Allocation Bonds, Series 2010, in the aggregate original principal amount of \$8,385,000, issued by the Former Agency.

"2010 Bonds Refunding Fund" means the fund by that name established in Section 3.04 hereof.

"2010 Bonds Refunding Instructions" means those Irrevocable Refunding Instructions (2010 Bonds) dated the date of issuance and delivery of the 2024 Bonds relating to the defeasance and refunding of the 2010 Bonds, executed by the Successor Agency and delivered to U.S. Bank Trust Company, National Association, as trustee of the 2010 Bonds.

"2024 Bond Insurance Policy" means the Municipal Bond Insurance Policy issued by the 2024 Insurer that guarantees the scheduled payment of principal of and interest on the 2024 Bonds when due.

"2024 Bonds" means the \$[PAR] initial aggregate principal amount of Successor Agency to the Dissolved Lompoc Redevelopment Agency Old Town Lompoc Redevelopment Project Tax Allocation Refunding Bonds, Series 2024.

"2024 Insurer" means _____, its successors and assigns.

"2024 Late Payment Rate" means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2024 Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the 2024 Insurer in its sole and absolute discretion shall specify.

"2024 Reserve Account Agreement" means the Debt Service Reserve Agreement, dated the Closing Date with respect to the 2024 Bonds, by and between the Successor Agency and the 2024 Insurer.

“2024 Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy No. _____ issued by the 2024 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2024 Bonds as provided in the Reserve Account Agreement, in the initial stated amount of \$_____, representing the Reserve Requirement for the 2024 Bonds on the Closing Date.

“2024 Reserve Policy Costs” means amounts required to repay and reimburse the 2024 Insurer for draws on the 2024 Reserve Policy and expenses of the 2024 Insurer, and accrued interest thereon.

Section 1.03. Rules of Construction All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of 2024 Bonds. The 2024 Bonds in the aggregate principal amount of _____ Dollars (\$_____) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Law and the Refunding Law.

This Indenture constitutes a continuing agreement with the Owners of all of the Bonds, including the 2024 Bonds, issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds, including the 2024 Bonds, which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The 2024 Bonds shall be designated the “Successor Agency to the Dissolved Lompoc Redevelopment Agency Old Town Lompoc Redevelopment Project Tax Allocation Refunding Bonds, Series 2024.”

Section 2.02. Terms of 2024 Bonds. The 2024 Bonds shall be dated as of the Closing Date, and shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The 2024 Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

| <u>Maturity Date (September 1)</u> | <u>Principal Amount</u> | <u>Interest Rate Per Annum</u> |
|--|-----------------------------|------------------------------------|
|--|-----------------------------|------------------------------------|

Interest on the 2024 Bonds (including the final interest payment upon maturity or earlier redemption) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date, to such Owner at the address of such Owner as it appears on the Registration Books as of such Record Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of 2024 Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee prior to the applicable Record Date. Principal of and redemption premium (if any) on any 2024 Bond shall be paid upon presentation and surrender thereof, at maturity, at the Principal Corporate Trust Office of the Trustee. Both the principal of and interest and premium (if any) on the 2024 Bonds shall be payable in lawful money of the United States of America.

Each 2024 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) a 2024 Bond is authenticated on or before the first Record Date, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any 2024 Bond, interest thereon is in default, such 2024 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Redemption of 2024 Bonds.

(a) Optional Redemption. The 2024 Bonds maturing on or before September 1, 20__ are not subject to optional redemption prior to maturity. The 2024 Bonds maturing on and after September 1, 20__, are subject to redemption, at the option of the Successor Agency on any date on or after September 1, 20__, as a whole or in part, by such maturities as shall be determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the 2024 Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem 2024 Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least sixty (60) days prior to the date fixed for such redemption (or such late date as is acceptable to the Trustee), and shall transfer to the Trustee for deposit in the

Debt Service Fund all amounts required for such redemption at least five (5) Business Days prior to the date fixed for such redemption.

(b) Mandatory Sinking Account Redemption. The 2024 Bond maturing on September 1, 20__ shall also be subject to redemption in whole, or in part by lot, on September 1 in each of the years as set forth in the following table, from Sinking Account payments made by the Successor Agency pursuant to Section 4.03(c), at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, or in lieu thereof shall be purchased pursuant to the succeeding paragraph of this subsection (b), in the aggregate respective principal amounts and on the respective dates as set forth in the following table; *provided, however*, that if some but not all of such 2024 Bond has been redeemed pursuant to subsection (a) above, the total amount of all future Sinking Account payments pursuant to this subsection (b) with respect to such 2024 Bond shall be reduced by the aggregate principal amount of such 2024 Bond so redeemed, to be allocated among such Sinking Account payments on a pro rata basis in integral multiples of \$5,000 as determined by the Successor Agency (written notice of which determination shall be given by the Successor Agency to the Trustee) and shall include a revised sinking fund schedule.

2024 Bond Maturing September 1, 20__

| Sinking Account Redemption Date <u>(September 1)</u> | Principal Amount <u>To Be Redeemed</u> |
|--|---|
|--|---|

(Maturity)

In lieu of redemption of the 2024 Bond maturing on September 1, 20__ pursuant to the preceding paragraph, amounts on deposit in the Sinking Account or the Special Fund (to the extent not required to be transferred to the Trustee pursuant to Section 4.03 during the current Bond Year other than for deposit in the Sinking Account) may also be used and withdrawn by the Successor Agency at any time for the purchase of such 2024 Bond at public or private sale as and when and at such prices (including brokerage and other charges and including accrued interest) as the Successor Agency may in its discretion determine. The par amount of any of such 2024 Bond so purchased by the Successor Agency in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of such Bonds required to be redeemed pursuant to this subsection (b) on the next succeeding September 1.

(c) Notice of Redemption. The Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least twenty (20) but not more than sixty (60) days prior to the redemption date, to (i) to the Owners of any 2024 Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to the Information Services; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such 2024 Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state that optional redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the 2024 Bonds to be

redeemed, shall state the individual number of each Bond to be redeemed or shall state that all 2024 Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such 2024 Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such 2024 Bonds will not accrue from and after the redemption date.

The Successor Agency has the right to rescind any notice of the optional redemption of 2024 Bonds by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of optional redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2024 Bonds then called for redemption, and such cancellation shall not constitute an Event of Default. The Successor Agency and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

Upon the payment of the redemption price of 2024 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the 2024 Bonds being redeemed with the proceeds of such check or other transfer.

(d) Partial Redemption of 2024 Bonds. In the event only a portion of any 2024 Bond is called for redemption, then upon surrender of such 2024 Bond the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new 2024 Bond or 2024 Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the 2024 Bond to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the 2024 Bonds so called for redemption shall have been duly deposited with the Trustee, such 2024 Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(f) Manner of Redemption. Whenever any 2024 Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection, in such manner as the Trustee shall deem appropriate, and shall notify the Successor Agency thereof to the extent 2024 Bonds are no longer held in book-entry form. In the event of redemption by lot of 2024 Bonds, the Trustee shall assign to each 2024 Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such 2024 Bond. The 2024 Bonds to be redeemed shall be the 2024 Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such 2024 Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. All 2024 Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

Section 2.04. Forms of 2024 Bonds. The 2024 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of 2024 Bonds. The 2024 Bonds shall be executed on behalf of the Successor Agency by the signature of the City Manager of the City, as the chief administrative officer of the Successor Agency, or the Management Services Director of the City, as the chief financial officer of the Successor Agency, who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any 2024 Bond ceases to be such officer before delivery of the 2024 Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the 2024 Bonds to the purchaser. Any 2024 Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such 2024 Bond shall be the proper officers of the Successor Agency although on the date of such 2024 Bond any such person shall not have been such officer of the Successor Agency.

Only such of the 2024 Bonds as shall bear thereon a Certificate of Authentication in the form herein set forth, executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such 2024 Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary 2024 Bonds are issued pursuant to Section 2.09 hereof, the temporary 2024 Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, shall be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary 2024 Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive 2024 Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denomination. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The

cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

The Trustee may refuse to transfer, under the provisions of this Section 2.07, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of

any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, neither the Successor Agency nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the Successor Agency nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Trustee. In

addition to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Successor Agency determines to terminate the Depository as such, then the Successor Agency shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium (if any) on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

In connection with any proposed transfer outside the Book-Entry Only system, the Successor Agency or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF 2024 Bonds

Section 3.01. Issuance of 2024 Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver 2024 Bonds to the Trustee in the aggregate principal amount of _____ Dollars (\$[PAR]), and the Trustee shall authenticate and deliver the 2024 Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale and Certain Other Amounts. On the Closing Date the proceeds of sale of the 2024 Bonds shall be paid to the Trustee in the amount of \$_____ (being the aggregate principal amount of the 2024 Bonds, plus an original issue premium in the amount of \$_____, less an underwriter's discount in the amount of \$_____, less the premium for the 2024 Reserve Policy in the amount of \$_____ which shall be paid by the original purchaser of the 2024 Bonds directly to the 2024 Insurer on the Closing Date, and less the premium for the 2024 Bond Insurance Policy in the amount of \$_____ which shall be

paid by the original purchaser of the 2024 Bonds directly to the 2024 Insurer on the Closing Date) and shall be applied as follows:

(i) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund;
and

(i) The Trustee shall deposit the amount of \$_____ in the 2010 Bonds Refunding Fund, being the remainder of the proceeds of the 2024 Bonds.

In addition, the Trustee shall credit the 2024 Reserve Policy to the Reserve Account in satisfaction of the Reserve Requirement for the 2024 Bonds as of the Closing Date upon delivery of the 2024 Bonds.

The Trustee may establish and maintain for so long as is necessary one or more temporary funds and accounts under this Indenture, including but not limited to a temporary fund for holding the proceeds of the Bonds.

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said account. Each such Written Request of the Successor Agency shall be sufficient evidence to the Trustee of the facts stated therein and the Bond Trustee shall have no duty to confirm the accuracy of such facts. On the date which is six (6) months following the Closing Date of the 2024 Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account of the Debt Service Fund to pay debt service on the 2024 Bonds, and the Trustee shall thereafter close the Costs of Issuance Fund.

Section 3.04. Refunding Fund. There is hereby created the 2010 Bonds Refunding Fund (the "2010 Bonds Refunding Fund") held by the Trustee in trust for the benefit of the Successor Agency. The moneys in the 2010 Bonds Refunding Fund shall be maintained separate and apart from other moneys of the Successor Agency. On the Closing Date, the Trustee shall transfer all moneys on deposit in the 2010 Bonds Refunding Fund to U.S. Bank Trust Company, National Association, as trustee of the 2010 Bonds, for deposit in the Redemption Account referenced in the 2010 Bonds Refunding Instructions and application under and pursuant to the 2010 Bonds Refunding Instructions, including Sections 2 and 4 thereof. Upon making such transfer, the 2010 Bonds Refunding Fund shall be closed.

Section 3.05. Issuance of Parity Debt. In addition to the 2004 Loan and the 2024 Bonds, the Successor Agency may issue or incur Parity Debt on or after the date hereof to refund all or a portion of the Outstanding Bonds or other Parity Debt then outstanding, including the 2004 Loan, in such principal amount as shall be determined by the Successor Agency, subject to the satisfaction of the following conditions precedent:

(a) no event of default hereunder, under any Parity Debt Instrument or under any Subordinate Debt Instrument shall have occurred and be continuing, and the Successor Agency shall otherwise be in compliance with all covenants set forth in this Indenture;

(b) such Parity Debt shall be issued for savings in accordance with the requirements of Section 34177.5(a) of the Dissolution Act (or any comparable provision of any successor

statute) and debt service on such refunding Parity Debt shall be less than or equal to the debt service on the existing Parity Debt to be refunded in each year;

(c) A Supplemental Indenture or Parity Debt Instrument shall have been adopted which shall (i) state the applicable reserve requirement and the amount, if any, to be deposited from the proceeds of sale of such Parity Debt in a separate account of the Reserve Account or other debt service reserve account or fund as provided in such Supplemental Indenture or Parity Debt Instrument, to be held as separate security for such series of Parity Debt; (ii) designate accounts and subaccounts within the Debt Service Fund, including within the Reserve Account if applicable, to be used in connection with such Parity Debt; and (iii) set forth such other provisions that are appropriate or necessary and are not inconsistent with the provisions hereof;

(d) principal with respect to such Parity Debt shall be paid on September 1 in any year in which such principal is payable, and interest on such Parity Debt shall be payable on March 1 and September 1;

(e) the Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth in subsections (a) and (b) above have been satisfied; and

(f) for so long as the 2004 Loan remains outstanding, the Successor Agency shall also comply with the requirements of Section 2.06 of the 2004 Loan Agreement.

Section 3.06. Issuance of Subordinate Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as shall be determined by the Successor Agency.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as provided in Section 6.06, the 2024 Bonds, the 2004 Loan and any other Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Tax Revenues, including all of the Tax Revenues in the Special Fund. Except as provided in Section 6.06, the Bonds shall be equally secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Sinking Account and the Redemption Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The Bonds shall be also equally secured by the pledge and lien created with respect to the Bonds by Section 34177.5(g) of the Law on moneys deposited from time to time in the Redevelopment Property Tax Trust Fund. The 2024 Bonds shall be additionally secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Reserve Subaccount established by Section 4.03(d). Any subaccounts in the Reserve Account created in the future in connection with the issuance of Parity Debt, shall only secure such Parity Debt unless otherwise provided in the Supplemental Indenture or Parity Debt Instrument. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal or interest on the Bonds.

The pledge of amounts set forth in the preceding paragraph shall be on a parity with the pledge of such amounts to (A) the 2024 Insurer and (B) a credit provider as security for an obligation under a written agreement between the Successor Agency and the credit provider to reimburse the credit provider for amounts paid under or pursuant to a credit facility for the payment of the principal amount or purchase price of and/or interest on any Bonds. For purposes of Section 3.05, the repayment obligations described in the preceding sentence shall be deemed to be payable at the scheduled amount due on the related Bonds. Notwithstanding any other provisions of this Indenture, repayment obligations described in the second preceding sentence shall be payable from the Special Fund.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Special Fund; Deposit of Tax Revenues. Pursuant to the 2004 Loan Agreement, the Former Agency established the Special Fund. The Successor Agency has heretofore established the Redevelopment Obligation Retirement Fund as required by Section 34170.5(a) of the Law. The Successor Agency hereby covenants and agrees to hold the Special Fund as an account within Redevelopment Obligation Retirement Fund and to continue to hold and maintain the Redevelopment Obligation Retirement Fund and the Special Fund so long as any of the Bonds are Outstanding or any Parity Debt remains outstanding.

The Successor Agency shall deposit all of the Tax Revenues received with respect to any Bond Year into the Special Fund promptly upon receipt thereof by the Successor Agency until

such time during such Bond Year as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred for deposit in such Bond Year (i) for deposit under the 2004 Loan Agreement for the payment of the 2004 Loan, including without limitation, as required pursuant to Section 3.03(a) of the 2004 Loan Agreement, and any amount required under the 2004 Loan Agreement or the 2004 Indenture to replenish the reserve account established under the 2004 Indenture, (ii) for deposit into the Interest Account, the Principal Account, the Sinking Account, the Reserve Account (and any subaccounts therein) and the Redemption Account in such Bond Year pursuant to Section 4.03 hereof and, if applicable, and (iii) with respect to any Parity Debt other than additional Bonds pursuant to the terms of the applicable Parity Debt Instrument. If the amount of Tax Revenues available in such Bond Year shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i), (ii) and (iii) of this paragraph, then the Successor Agency shall transfer such Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. All Tax Revenues received by the Successor Agency in excess of the amount required to pay debt service on the Bonds, the 2004 Loan and any other Parity Debt in any Bond Year, and except as may be provided to the contrary in this Indenture, the 2004 Loan Agreement or other Parity Debt Instrument, shall be released from the pledge and lien hereunder and shall be applied in accordance with the Law, including but not limited to the payment of debt service on any Subordinate Debt. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indentures or Parity Debt Instruments, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in this Indenture and in any Supplemental Indenture or any Parity Debt Instrument.

Section 4.03. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust. Moneys in the Special Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority (provided further that, if on the fifth (5th) Business Day prior to the date the Successor Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into accounts amounts required to be transferred with respect to Parity Debt other than Bonds, the Successor Agency shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the fifth (5th) Business Day preceding each Interest Payment Date, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable.

(b) Principal Account. On or before the fifth (5th) Business Day preceding the date on which principal on the Bonds becomes due and payable at maturity, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the

Outstanding Bonds on such date. No such deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next September 1 on all of the Outstanding Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as it shall become due and payable.

(c) Sinking Account. No later than the fifth (5th) Business Day preceding each March 1 or September 1, as applicable, on which any Outstanding Term Bonds are subject to mandatory redemption or otherwise for purchase pursuant to the provisions of a Supplemental Indenture, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Sinking Account an amount which, when added to the amount then contained in the Sinking Account, will be equal to the aggregate principal amount of the Term Bonds required to be redeemed on such March 1 or September 1, as applicable, pursuant to the provisions of any Supplemental Indenture. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of paying the principal of the Term Bonds as it shall become due and payable upon redemption or purchase pursuant to the provisions of any Supplemental Indenture.

(d) Reserve Account. There is hereby established in the Debt Service Fund a separate account known as the "Reserve Account" solely as security for payments of the 2024 Bonds payable by the Successor Agency pursuant to this Section 4.03 (which shall in each case be held by the Trustee in trust for the benefit of the Owners of the 2024 Bonds, provided separate subaccounts may be established in the Reserve Account as separate security for any future issue of Parity Debt). The Reserve Requirement for the 2024 Bonds shall be calculated on a standalone basis and shall be satisfied by the delivery of the 2024 Reserve Policy by the 2024 Insurer on the Closing Date with respect to the 2024 Bonds. The Successor Agency will have no obligation to replace the 2024 Reserve Policy or to fund the Reserve Account with cash if, at any time that the 2024 Bonds are Outstanding, any rating assigned to the 2024 Insurer is downgraded, suspended or withdrawn or amounts are not available under the 2024 Reserve Policy, other than in connection with a draw on the 2024 Reserve Policy.

Except as provided in the preceding paragraph and as may be provided in a Supplemental Indenture or Parity Debt Instrument, in the event that the amount on deposit in the Reserve Account (or the applicable subaccount) at any time becomes less than the Reserve Requirement applicable thereto, the Trustee shall promptly notify the Successor Agency of such fact. Upon receipt of any such notice and as promptly as is permitted by the Law, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the applicable Reserve Account.

The amounts available under the 2024 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account, the Principal Account and the Sinking Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2024 Bonds.

Moneys, if any, on deposit in the Reserve Account (or the applicable subaccount therein) shall be withdrawn and applied by the Trustee for the final payment or payments of principal of and interest on the 2024 Bonds or any Bonds secured by the applicable account therein, respectively. The Trustee shall compute the Reserve Requirement

semiannually on or before two (2) Business Days preceding each March 1 and September 1.

In no event shall amounts in the Reserve Account (exclusive of subaccounts therein, which shall be applied in accordance with the terms of the Supplemental Indenture providing for Parity Debt) be applied to payment of any Bonds or Parity Debt other than 2024 Bonds.

Except as provided above, the amount on deposit in the Reserve Account (or applicable subaccount therein) shall be maintained at the Reserve Requirement at all times prior to the payment of the applicable series of Bonds in full. If there shall then not be sufficient Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account (or applicable subaccount therein), the Successor Agency shall be obligated to continue making transfers as Tax Revenues become available until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account (or applicable subaccount therein) . No such transfer and deposit need be made to the Reserve Account (or applicable subaccount therein) so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement.

All money in the Reserve Account (or applicable subaccount therein) shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account, the Principal Account and Sinking Account, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default hereunder or under any Parity Debt Instrument, any amount in the Reserve Account or subaccount thereof in excess of the applicable Reserve Requirement shall be withdrawn from the applicable Reserve Account semiannually on or before two (2) Business Days preceding each March 1 and September 1 by the Trustee and deposited in the Interest Account (or applicable subaccount therein) or applied pro rata in accordance with any applicable provision of a Parity Debt Instrument. On the Business Day preceding the final Interest Payment Date for a series of Bonds (or multiple series of Bonds issued under this Indenture or a single Parity Debt Instrument), all amounts held in the applicable subaccount of the Reserve Account shall be withdrawn from the Reserve Account, or such applicable subaccount of the Reserve Account and shall be transferred to the applicable subaccounts of the Interest Account, the Principal Account and Sinking Account, in such order, for such series of Bonds, to the extent required to make the deposits then required to be made pursuant to this Section 4.03 or applied pro rata in accordance with any applicable provision of a Parity Debt Instrument.

The Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account or subaccount thereof, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the Bonds or any Parity Debt the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account or applicable subaccount thereof (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account or subaccount thereof to the Successor Agency to be applied in accordance with the Law. The Trustee shall comply with the terms of any such Qualified

Reserve Account Credit Instrument delivered to and accepted by it, as may be applicable to it and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this paragraph (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the applicable Reserve Requirement, to be derived from the first legally available Tax Revenues. If the applicable Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Interest Account, the Principal Account of the Sinking Account for the purpose of making payments required pursuant to Sections 4.03(a), 4.03(b) or 4.03(c) of this Indenture. If the Reserve Requirement is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account, the Principal Account or the Sinking Account for the purpose of making payments required pursuant to Sections 4.03(a), 4.03(b) or 4.03(c) of this Indenture shall be pro-rata with respect to each such instrument.

The prior written consent of the 2024 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument provided in lieu of a cash deposit into the Reserve Account (other than with respect to any separate subaccount established in the Reserve Account as separate security for any future issue of Parity Debt).

The Reserve Account shall be maintained in the form of one or more separate sub-accounts which are established for the purpose of holding the proceeds of separate issues of any Parity Debt in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee. Separate series of Parity Debt may be secured by common sub-accounts of the Reserve Account as provided in one or more Supplemental Indentures and/or Parity Debt Instruments from time to time.

(e) Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to Section 2.03(a), other than mandatory Sinking Account redemption of Term Bonds, the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to Section 2.03(a) for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the Bonds to be redeemed on such date pursuant to Section 2.03(a). All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the Bonds to be redeemed pursuant to Section 2.03(a) on the date set for such redemption, other than mandatory Sinking Account redemption of Term Bonds. Interest due on Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account.

Section 4.04. Provisions Relating to 2024 Reserve Policy. With respect to the 2024 Reserve Policy, notwithstanding anything to the contrary set forth herein, the Successor Agency and the Trustee agree to comply with the following provisions:¹

(a) The Successor Agency shall repay any draws under the 2024 Reserve Policy and pay all related reasonable expenses incurred by the 2024 Insurer and shall pay interest on such

¹ To be updated after 2024 Insurer is selected.

draws and expenses from the date of payment by the 2024 Insurer at the 2024 Late Payment Rate.

(b) Payment of 2024 Reserve Policy Costs shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of 2024 Reserve Policy Costs related to such draw.

(c) Amounts in respect of 2024 Reserve Policy Costs paid to the 2024 Insurer shall be credited first to interest due, then to the expenses due and then to principal (the amount drawn under the 2024 Reserve Policy) due. As and to the extent that payments are made to the 2024 Insurer on account of principal due, the coverage under the 2024 Reserve Policy will be increased by a like amount, subject to the terms of the 2024 Reserve Policy.

(d) All cash and investments in the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of principal (including mandatory sinking account redemption payments) of and interest on the 2024 Bonds before any drawing may be made on the 2024 Reserve Policy or any other Qualified Reserve Account Credit Instrument on deposit in the Reserve Account in lieu of cash. Payment of any 2024 Reserve Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2024 Reserve Policy) on deposit in the Reserve Account which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Account. Payment of 2024 Reserve Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instruments on deposit in the Reserve Account shall be made on a pro-rata basis prior to replenishment of any cash drawn from Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable Qualified Reserve Account Credit Instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(e) Draws on the 2024 Reserve Policy may only be used to make payments on the 2024 Bonds.

(f) If the Successor Agency shall fail to pay any 2024 Reserve Policy Costs in accordance with the requirements of this section, the 2024 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided hereunder, other than: (i) acceleration of the maturity of the 2024 Bonds; or (ii) remedies which would adversely affect Owners of the 2024 Bonds. The Indenture shall not be discharged until all 2024 Reserve Policy Costs owing to the 2024 Insurer shall have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2024 Bonds.

(g) The 2024 Reserve Policy shall expire and terminate in accordance with the terms and provisions of the 2024 Reserve Policy and the 2024 Reserve Account Agreement.

(h) Any amendment, supplement, modification to, or waiver of this Indenture that requires the consent of the Owners of the 2024 Bonds or adversely affects the rights or interest of the 2024 Insurer shall be subject to the prior written consent of the 2024 Insurer.

(i) The 2024 Insurer is recognized as and shall be deemed to be a third party beneficiary of this Indenture and may enforce the provisions hereof as if it were a party hereto.

(j) The Trustee shall ascertain the necessity for a claim upon the 2024 Reserve Policy in accordance with the provisions of this section and provide notice to the 2024 Insurer in accordance with the terms of the 2024 Reserve Policy at least five (5) Business Days prior to each date upon which interest or principal (or mandatory sinking account redemption payment) is due on the 2024 Bonds. The 2024 Reserve Policy shall expire on the earlier of the date the 2024 Bonds are no longer Outstanding or the final maturity of the 2024 Bonds.

(k) The Successor Agency agrees unconditionally that it will pay or reimburse the 2024 Insurer on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that the 2024 Insurer may pay or incur, including, but not limited to, fees and expenses of the 2024 Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Indenture ("2024 Reserve Policy Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the 2024 Insurer spent in connection with the actions described in the preceding sentence. The Successor Agency agrees that failure to pay any 2024 Reserve Policy Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the 2024 Late Payment Rate, compounded semi-annually, from the date that payment is first due to the 2024 Insurer until the 2024 Insurer is paid in full.

(l) Payments made by the 2024 Insurer under the 2024 Reserve Policy with respect to claims for interest on or principal of the 2024 Bonds shall not discharge the obligation of the Successor Agency with respect to such 2024 Bonds, and the 2024 Insurer shall become the owner of such unpaid 2024 Bonds and claims for the interest thereon. The Successor Agency and the Trustee recognize and agree that to the extent the 2024 Insurer makes payments directly or indirectly (e.g. by paying through the Trustee), on account of principal of or interest on the 2024 Bonds, the 2024 Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Successor Agency, with interest thereon.

(m) In order to secure the Successor Agency's payment obligations with respect to the 2024 Reserve Policy Costs, there is hereby granted and perfected in favor of the 2024 Insurer a security interest (subordinate only to that of the owners of the 2024 Bonds) in all revenues pledged as security for the 2024 Bonds. The Successor Agency shall not make payments from or pledge, assign or grant a security interest in such pledged revenues to any provider of a Qualified Reserve Account Credit Instrument that is senior or prior to the payments or security interest granted to the 2024 Insurer pursuant to this Section.

(n) The Successor Agency will provide the 2024 Insurer with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Certificate and (ii) to the holders of 2024 Bonds or the Trustee under the Indenture. In addition, the Successor Agency shall provide the 2024 Insurer with the following notices and other information: (i) notice of any draw upon the Reserve Account within two (2) Business Days after knowledge thereof, other than in connection with withdrawals of amounts in excess of the Reserve Requirement with respect to the 2024 Bonds; and (ii) prior written notice of the advance refunding or redemption of any of the 2024 Bonds, including the principal amount, maturities and CUSIP numbers thereof. The 2024 Insurer shall be entitled to receive such additional information as it may reasonably request. The notices and other information to be provided by the Successor Agency to the 2024 Insurer pursuant to this Section 4.04(n), may be provided by the Successor Agency by sending an electronic link to such notices and other information provided to the holders of 2024 Bonds on EMMA or such other Information Services then in effect to notices@buildamerica.com.

Section 4.05. Claims Upon the 2024 Bond Insurance Policy. With respect to the 2024 Bond Insurance Policy, notwithstanding anything to the contrary set forth herein, the Successor Agency and the Trustee agree to comply with the following provisions:²

(a) In the event that principal and/or interest due on the 2024 Bonds shall be paid by the 2024 Insurer pursuant to the 2024 Bond Insurance Policy, the 2024 Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Successor Agency, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Successor Agency to the registered owners shall continue to exist and shall run to the benefit of the 2024 Insurer and the 2024 Insurer shall be subrogated to the rights and remedies of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the 2024 Bonds.

(b) In the event that on the second (2nd) business day prior to any payment date on the 2024 Bonds, the Trustee has not received sufficient moneys to pay all principal of and interest on the 2024 Bonds due on such payment date, the Trustee shall immediately notify the 2024 Insurer or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall notify the 2024 Insurer or its designee immediately upon receipt of payment.

(c) In addition, if the Trustee has notice that any Owner of the 2024 Bonds has been required to disgorge payments of principal of or interest on the 2024 Bonds pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the 2024 Bond Insurance Policy or Trustee shall notify the 2024 Insurer or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of the 2024 Insurer.

(d) The Trustee shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for Owners of the 2024 Bonds as follows:

(i) If there is a deficiency in amounts required to pay interest and/or principal on the 2024 Bonds, the Trustee shall (A) execute and deliver to the 2024 Insurer, in form satisfactory to the 2024 Insurer, an instrument appointing Insurer as agent and attorney-in-fact for such Owners of the 2024 Bonds in any legal proceeding related to the payment and assignment to Insurer of the claims for interest on the 2024 Bonds, (B) receive as designee of the respective Owners (and not as Trustee) in accordance with the tenor of the 2024 Bond Insurance Policy payment from the 2024 Insurer with respect to the claims for interest so assigned, (C) segregate all such payments in a separate account (the "Insurance Policy Payment Account") to only be used to make scheduled payments of principal of and interest on the 2024 Bonds, and (D) disburse the same to such respective Owners; and

(ii) If there is a deficiency in amounts required to pay principal of the 2024 Bonds, the Trustee shall (a) execute and deliver to the 2024 Insurer, in form satisfactory to the 2024 Insurer, an instrument appointing Insurer as agent and attorney-in-fact for such Owner of the 2024 Bonds in any legal proceeding related to the payment of such

² To be updated after 2024 Insurer is selected.

principal and an assignment to Insurer of the 2024 Bonds surrendered to the 2024 Insurer, (b) receive as designee of the respective Owners (and not as Trustee) in accordance with the tenor of the 2024 Bond Insurance Policy payment therefore from the 2024 Insurer, (c) segregate all such payments in the Insurance Policy Payment Account to only be used to make scheduled payments of principal of and interest on the 2024 Bonds, and (d) disburse the same to such respective Owners.

(e) The Trustee shall designate any portion of payment of principal on 2024 Bonds paid by the 2024 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2024 Bonds registered to the then current Owner, whether DTC or its nominee or otherwise, and shall issue a replacement 2024 Bond to the 2024 Insurer, registered in the name directed by the 2024 Insurer, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2024 Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2024 Bond or the subrogation or assignment rights of the 2024 Insurer.

(f) Payments with respect to claims for interest on and principal of 2024 Bonds disbursed by the Trustee from proceeds of the 2024 Bond Insurance Policy shall not be considered to discharge the obligation of the Successor Agency with respect to such 2024 Bonds, and the 2024 Insurer shall become the owner of such unpaid 2024 Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise.

(g) Irrespective of whether any such assignment is executed and delivered, the Successor Agency and the Trustee agree for the benefit of the 2024 Insurer that:

(i) They recognize that to the extent the 2024 Insurer makes payments directly or indirectly (e.g., by paying through the Trustee), on account of principal of or interest on the 2024 Bonds, the 2024 Insurer will be subrogated to the rights of such Owners to receive the amount of such principal and interest from the Successor Agency, with interest thereon, as provided and solely from the sources stated in the Indenture and the 2024 Bonds; and

(ii) They will accordingly pay to the 2024 Insurer the amount of such principal and interest, with interest thereon as provided in the transaction documents and the 2024 Bonds, but only from the sources and in the manner provided therein for the payment of principal of and interest on the 2024 Bonds to Owners, and will otherwise treat the 2024 Insurer as the owner of such rights to the amount of such principal and interest.

Section 4.06. Rights of the 2024 Insurer. Notwithstanding anything to the contrary set forth herein, the Successor Agency and the Trustee agree to comply with the following provisions:

³

(a) Defeasance. The investments in the defeasance escrow relating to the 2024 Bonds shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise maybe authorized under State law and approved by the 2024 Insurer (“Defeasance Obligations”).

³ To be updated after 2024 Insurer is selected.

At least three (3) Business Days prior to any defeasance with respect to the 2024 Bonds, the Successor Agency shall deliver to the 2024 Insurer draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the 2024 Bonds, a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to the 2024 Insurer and shall be in form and substance satisfactory to the 2024 Insurer. In addition, the escrow agreement shall provide that:

Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the 2024 Bonds is excludable) from gross income of the holders of the 2024 Bonds of the interest on the 2024 Bonds for federal income tax purposes and the prior written consent of the 2024 Insurer, which consent will not be unreasonably withheld.

The Successor Agency will not exercise any prior optional redemption of 2024 Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to the 2024 Insurer a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

The Successor Agency shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without written notice to and the prior written consent of the 2024 Insurer.

(b) Trustee. The 2024 Insurer shall receive prior written notice of any name change of the Trustee, for the 2024 Bonds or the resignation, removal or substitution of the Trustee. Each Trustee must be (A) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (B) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (C) otherwise approved by the 2024 Insurer in writing.

No resignation, removal or substitution of the Trustee shall take effect until a successor, acceptable to the 2024 Insurer, shall be qualified and appointed. The 2024 Insurer shall have the right to direct the replacement of the Trustee upon the occurrence of an event of a default on the 2024 Bonds and any event of default under any senior or subordinate obligations to the extent the 2024 Insurer determines in its sole discretion that there exists or could exist a conflict of interest.

(c) Amendments, Supplements and Consents. The 2024 Insurer's prior written consent is required for all amendments and supplements to this Indenture, with the exceptions noted below. The Successor Agency shall send copies of all amendments or supplements to the 2024 Insurer and the rating agencies that have assigned a rating to the 2024 Bonds.

Consent of the 2024 Insurer. Any amendments or supplements to this Indenture shall require the prior written consent of the 2024 Insurer with the exception of amendments or supplements:

- (i) To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the transaction documents or in any supplement thereto, or
- (ii) To grant or confer upon the holders of the 2024 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the 2024 Bonds, or
- (iii) To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of this Indenture other conditions, limitations and restrictions thereafter to be observed, or
- (iv) To add to the covenants and agreements of the Successor Agency in this Indenture other covenants and agreements thereafter to be observed by the Successor Agency or to surrender any right or power therein reserved to or conferred upon the Successor Agency, or
- (v) To issue additional bonds in compliance with the terms of this Indenture.

Consent of the 2024 Insurer in Addition to Owner Consent. Any amendment, supplement, modification to, or waiver of, this Indenture that requires the consent of holders of the 2024 Bonds or adversely affects the rights or interests of the 2024 Insurer shall be subject to the prior written consent of the 2024 Insurer.

Notice to and Consent of the 2024 Insurer in the Event of Insolvency. To the extent the Successor Agency enters into any reorganization or liquidation plan with respect to the Successor Agency, it must be acceptable to the 2024 Insurer. In the event of any reorganization or liquidation of the Successor Agency the 2024 Insurer shall have the right to file a claim, object to and vote on behalf of all holders of the 2024 Bonds absent a continuing failure by the 2024 Insurer to make a payment under the 2024 Bond Insurance Policy. The Successor Agency shall provide the 2024 Insurer with immediate written notice of any insolvency event that causes the Successor Agency to be unable to pay its obligations as and when they become due. In the event of a receivership or out-of-court restructuring, the 2024 Insurer shall have the right to negotiate and speak on behalf of and bind the bondholders and any agreements reached must be acceptable to the 2024 Insurer.

Consent of the 2024 Insurer upon Default. Anything in this Indenture to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, monetary or nonmonetary, the 2024 Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the 2024 Bonds or the Trustee for the benefit of the owners of the 2024 Bonds under this Indenture. No monetary or nonmonetary default or event of default may be waived without the 2024 Insurer's written consent.

The 2024 Insurer as Owner. Upon the occurrence and continuance of a default or an event of default with respect to the 2024 Bonds, the 2024 Insurer shall be deemed to be the sole and exclusive owner of the outstanding 2024 Bonds for all purposes under this Indenture, including, without limitation, for purpose of approvals, consents, exercising remedies and approving agreements relating to the 2024 Bonds.

Consent of the 2024 Insurer for Acceleration. The 2024 Insurer's prior written consent is required as a condition precedent to and in all instances of acceleration.

Grace Period for Payment Defaults. No grace period shall be permitted for payment defaults on the 2024 Bonds. No grace period for a covenant default shall exceed 30 days without the prior written consent of the 2024 Insurer.

Special Provisions for Insurer Default. If an Insurer Default shall occur and be continuing, then, notwithstanding anything in this paragraph (i) above to the contrary, (1) if at any time prior to or following an Insurer Default, the 2024 Insurer has made payment under the 2024 Bond Insurance Policy, to the extent of such payment the 2024 Insurer shall be treated like any other holder of the 2024 Bonds for all purposes, including giving of consents, and (2) if the 2024 Insurer has not made any payment under the 2024 Bond Insurance Policy, the 2024 Insurer shall have no further consent rights until the particular Insurer Default is no longer continuing or the 2024 Insurer makes a payment under the 2024 Bond Insurance Policy, in which event, the foregoing clause (1) shall control.

For purposes of this paragraph, “Insurer Default” means: (A) the 2024 Insurer has failed to make any payment under the 2024 Bond Insurance Policy when due and owing in accordance with its terms; or (B) the 2024 Insurer shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the 2024 Bond Insurance Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of the 2024 Insurer (including without limitation under the New York Insurance Law).

(d) Additional Payments. The Successor Agency agrees unconditionally that it will pay or reimburse the 2024 Insurer on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that the 2024 Insurer may pay or incur, including, but not limited to, fees and expenses of the 2024 Insurer’s agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Indenture (“Administrative Costs”). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the 2024 Insurer spent in connection with the actions described in the preceding sentence. The Successor Agency agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the 2024 Insurer until the date the 2024 Insurer is paid in full.

Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2024 Insurer (i) a sum equal to the total of all amounts paid by the 2024 Insurer under the 2024 Bond Insurance Policy (the “2024 Bond Insurance Policy Payment”); and (ii) interest on such the 2024 Bond Insurance Policy Payments from the date paid by the 2024 Insurer until payment thereof in full by the Successor Agency, payable to the 2024 Insurer at the Late Payment Rate per annum (collectively, the “2024 Bond Insurance Policy Reimbursement Amounts”) compounded semi-annually.

The Successor Agency hereby covenants and agrees that the 2024 Bond Insurance Reimbursement Amounts are payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to the 2024 Bonds on parity with debt service due on the 2024 Bonds.

(e) Exercise of Rights by the 2024 Insurer. The rights granted to the 2024 Insurer under this Indenture and 2024 Bonds to request, consent to or direct any action are rights granted to the 2024 Insurer in consideration of its issuance of the 2024 Bond Insurance Policy. Any exercise by the 2024 Insurer of such rights is merely an exercise of the 2024 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the 2024 Bonds and such action does not evidence any position of the 2024 Insurer, affirmative or negative, as to whether the consent of the holders of the 2024 Bonds or any other person is required in addition to the consent of the 2024 Insurer.

The 2024 Insurer shall be entitled to pay principal or interest on the 2024 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Successor Agency (as such terms are defined in the 2024 Bond Insurance Policy) and any amounts due on the 2024 Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the 2024 Insurer has received a claim upon the 2024 Bond Insurance Policy.

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues, excepting only as provided in this Section 5.02. The Successor Agency hereby covenants that it will not otherwise encumber, pledge or place any charge or lien upon any of the Tax Revenues or other amounts pledged to the Bonds superior or on parity to the pledge and lien herein created for the benefit of the Bonds, other than the 2004 Loan and any Parity Debt issued or incurred in accordance with Section 3.05 hereof. Nothing herein shall prevent the Successor Agency from issuing or incurring Subordinate Debt. Any Subordinate Debt that is issued as bonds or incurred in the form of a loan shall be payable on the same dates as the Bonds.

Section 5.03. Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In

case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The Successor Agency shall at all times keep, or cause to be kept, proper and current books and accounts in which accurate entries are made of the financial transactions and records of the Successor Agency, which shall be subject to inspection by the 2024 Insurer at all times during normal business hours and upon reasonable notice by the 2024 Insurer to the Successor Agency. Within two hundred seventy (270) days after the close of each Fiscal Year an Independent Certified Public Accountant shall prepare an audit of the financial transactions and records of the Successor Agency for such Fiscal Year. To the extent permitted by law, such audit may be included within the annual audited financial statements of the City. The Successor Agency shall furnish a copy of such financial statements to any Owner upon reasonable request of such Owner and at the expense of such Owner. The Trustee shall have no duty to review such audits. The Successor Agency agrees, consents and will cooperate in good faith to provide information reasonably requested by the 2024 Insurer and will further provide appropriately designated individuals and officers to discuss the affairs, finances and accounts of the Successor Agency or any other matter as the 2024 Insurer may reasonably request. The books and records of the Successor Agency shall at all times during normal business hours and upon reasonable notice be subject to inspection by the 2024 Insurer and any other issuer of a Qualified Reserve Account Credit Instrument hereunder or their respective agents or representatives who have been duly authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after their respective Closing Date, the Bonds shall be incontestable by the Successor Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided herein, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Project Area, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Project Area or any part thereof.

Section 5.08. Compliance with the Law; Recognized Obligation Payment Schedules.

(a) *General.* The Successor Agency shall comply with all of the requirements of the Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants hereunder.

Further, it will take all actions required under the Dissolution Act to include

(i) scheduled debt service on all Outstanding Bonds and any Parity Debt, any amount required under this Indenture or any Parity Debt Instrument to replenish the Reserve Account (and any subaccounts therein) established hereunder or the reserve account established under any Parity Debt Instrument and any amount required under the 2004 Loan Agreement or the 2004 Indenture to replenish the reserve account established under the 2004 Indenture, and

(ii) amounts due to any provider of a municipal bond insurance policy, financial guaranty insurance policy or debt service reserve policy (including an issuer a Qualified Reserve Account Credit Instrument hereunder or under a Parity Debt Instrument) with respect to any Bonds or any Parity Debt, including the 2024 Insurer,

(iii) amounts due to any provider of municipal bond insurance policy, financial guaranty insurance policy or debt service reserve policy delivered in connection with or pursuant to the 2004 Loan Agreement or the 2004 Indenture,

in Recognized Obligation Payment Schedules so as to enable the Auditor-Controller of the County of Santa Barbara to distribute from the Redevelopment Property Tax Trust Fund to the Redevelopment Obligation Retirement Fund on each January 2 and June 1, as applicable, amounts required to enable the Successor Agency to pay (i) timely principal of (including any mandatory sinking fund redemption amount), and interest on, the Bonds and all Parity Debt on a timely basis, (ii) amounts owed to any provider of a municipal bond insurance policy, financial guaranty insurance policy or debt service reserve policy (including the 2024 Reserve Provider or any other issuer a Qualified Reserve Account Credit Instrument hereunder or under a Parity Debt Instrument), (iii) amounts due to any provider of municipal bond insurance policy, financial guaranty insurance policy or debt service reserve policy pursuant to the 2004 Loan Agreement or the 2004 Indenture, and (iv) all other amounts payable hereunder or under a Parity Debt Instrument.

The amounts received by the Successor Agency on the June 1, 2024 distribution date that otherwise would have been applied to the payment of debt service on the 2010 Bonds, shall be applied as provided in Section 4.03 hereof to pay debt service on the 2024 Bonds, on [September 1, 2024], and any amounts remaining shall be retained in the Debt Service Fund and deposited in the Interest Account, the Principal Account or the Sinking Account, as necessary, for payment of debt service on the 2024 Bonds on March 1, 2025, pursuant to the terms of said Section 4.03.

Additionally, the amounts received by the Successor Agency on the January 2, 2025 distribution date that otherwise would have been applied to the payment of debt service on the 2010 Bonds, shall be applied as provided in Section 4.03 hereof to pay debt service on the 2024 Bonds, on March 1, 2025, and any amounts remaining shall be retained in the Debt Service Fund and deposited in the Interest Account, the Principal Account or the Sinking

Account, as necessary, for payment of debt service on the 2024 Bonds on September 1, 2025, pursuant to the terms of said Section 4.03.

(b) *ROPS Commencing Fiscal Year 2025-26.* In order to accomplish the foregoing, not later than February 1 of each year commencing February 1, 2025, so long as any Bonds or Parity Debt are outstanding, the Successor Agency shall submit an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the Santa Barbara County Auditor-Controller that provides for the distribution of the following amounts:

(i) for distribution on June 1, all debt service coming due and payable on all Outstanding Bonds and Parity Debt on the next succeeding September 1, less any amounts on deposit in the Special Fund or the Debt Service Fund for payment of debt service on the Outstanding Bonds and Parity Debt on such September 1;

(ii) for distribution on January 2, at least 50% (but, at the discretion of the Successor Agency, an amount up to 100%) of all debt service coming due and payable on all Outstanding Bonds and Parity Debt on the next succeeding March 1 and September 1;

(iii) any amounts required to replenish the Reserve Account (and any subaccounts therein), any reserve account established under any Parity Debt Instrument and any reserve account established in connection with or pursuant to the 2004 Loan Agreement or the 2004 Indenture;

(iv) any amounts due and owing to any provider of a municipal bond insurance policy, financial guaranty insurance policy or debt service reserve policy (including an issuer a Qualified Reserve Account Credit Instrument hereunder or under a Parity Debt Instrument) with respect to any Bonds or any Parity Debt, including the 2024 Insurer; and

(v) any amounts due and owing to any provider of a municipal bond insurance policy, financial guaranty insurance policy delivered in connection with or pursuant to the 2004 Loan Agreement or the 2004 Indenture.

If any amounts then due and payable to the 2024 Insurer under this Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2024 Insurer.

(c) *Change in Dissolution Act Provisions.* In the event the provisions set forth in the Dissolution Act as of the Closing Date of the 2024 Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency agrees to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the Bonds and Parity Debt and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the receipt of moneys required to pay debt service in each Bond Year in the amounts and not later than the dates set forth above.

(d) *2024 Insurer as Attorneys-in-Fact.* In the event the Successor Agency fails to provide the Oversight Board or the State Department of Finance with a Recognized Obligation Payment Schedule by the statutory deadlines, to the extent permitted by applicable law, the Successor Agency designates the 2024 Insurer as its attorney-in-fact with the power to make such a request relating to the 2024 Bonds; provided however, that the 2024 Insurer will provide a copy of such request to the Successor Agency at the time of such submission. With respect to Recognized Obligation Payment Schedules, if any amounts payable to the 2024 Insurer are not included on the then current Recognized Obligation Payment Schedule, the Successor Agency shall amend such Recognized Obligation Payment Schedule to include such amount to the extent permitted by law.

(e) *Last and Final Recognized Obligation Payment Schedule.* The Successor Agency shall not approve or submit for approval to the Successor Agency's Oversight Board or the State Department of Finance the final amendment to a "last and final" Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2024 Insurer, unless all amounts that could become due and payable to the 2024 Insurer under the Indenture would be included as a line item in the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.

Section 5.09. [Reserved].

Section 5.10. Dissolution Act Invalid; Maintenance of Tax Revenues. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions, provisions of the Law or the equivalent become applicable to the Bonds, the Successor Agency shall comply with all requirements of the Law or the equivalent to insure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of the County and, in the case of amounts payable by the State, appropriate officials of the State.

Section 5.11. No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2024 Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2024 Bonds would have caused the 2024 Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

Section 5.12. Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the 2024 Bonds are not so used as to cause the 2024 Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.13. Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2024 Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Section 5.14. Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2024 Bonds.

Section 5.15. Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2024 Bonds from the gross income of the Owners of the 2024 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2024 Bonds.

Section 5.16. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be an Event of Default hereunder. However, any Participating Underwriter or any holder or beneficial owner of the 2024 Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Successor Agency to comply with its obligations under this Section 5.16.

Section 5.17. Meet and Confer; Recognized Obligation Payment Schedule. The Successor Agency shall provide the 2024 Insurer with copies of all Recognized Obligation Payment Schedules submitted and any and all correspondence received from the State Department of Finance relating to or which could affect payments on the 2024 Bonds upon receipt, except for requests for copies of agreements or other supporting documentation by the State Department of Finance to support a Recognized Obligation Payment Schedule submitted by the Successor Agency. Documents posted by the State Department of Finance under their existing procedures on the State Department of Finance website shall meet this requirement. In the event that the Successor Agency is a party to a meet and confer with the State Department of Finance that relates to the payment of debt service on or security for the 2024 Bonds, or the 2024 Reserve Policy Costs, the Successor Agency shall notify the 2024 Insurer and, if the subject of the meet and confer could prevent timely payment of or impair the security for the 2024 Bonds or 2024 Reserve Policy Costs, the 2024 Insurer shall have the right to participate in the meet and confer process either by appearance with the Successor Agency at the meet and confer or through written submission as the 2024 Insurer determines in its discretion. In the event the Successor Agency receives a Recognized Obligation Payment Schedule denial, whether relating to the 2024 Bonds or not, and such denial could prevent timely and full payment of debt service on, or impair the security for, the 2024 Bonds or 2024 Reserve Policy Costs, the Successor Agency agrees to cooperate in good faith with the 2024 Insurer and the 2024 Insurer shall receive prompt notice of any such event and shall be permitted to attend any meetings with the Successor Agency and the State Department of Finance and to discuss such matters with the State Department of Finance directly.

Section 5.18. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such

duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of 30 days prior written notice of such removal by the Successor Agency to the Trustee, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail a notice of the succession of such Trustee to the trusts hereunder to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within fifteen (15) days after

acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a financial institution having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

The Successor Agency will maintain a Trustee which is qualified under the provisions of the foregoing provisions of this subsection (e), so long as any Bonds are Outstanding.

Section 6.02. Merger or Consolidation. Any bank, national banking association or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or intentional misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made by a responsible employee or officer, unless the Trustee shall have been negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of

conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or intentional misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Special Fund and the investment and application of moneys on deposit in the Special Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

Before taking any action under Article VIII or this Article at the request of the Owners the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to any project refinanced with the proceeds of the Bonds, malicious mischief, condemnation, malfunctions of utilities, computer (hardware or software) or communications service; the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility, or unusually severe weather and/or occurrences beyond the control of the Trustee.

In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Successor Agency shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and

circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

The Trustee shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless from and against any loss, expense including legal fees and expenses and liabilities which it may incur arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Sinking Account, the Redemption Account, the Reserve Account (and any subaccounts therein) and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee at least two (2) Business Days in advance of the making of such investments. In the absence of any such Written Request of the Successor Agency, the Trustee shall hold such funds uninvested. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. Moneys in the Redevelopment Obligation Retirement Fund and the Special Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account; *provided, however,* that all interest or gain from the investment of amounts in the Reserve Account (and any subaccounts therein) shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the applicable Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made pursuant to this Section.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value. The Trustee has no duty in connection with the determination of Fair Market Value other

than to follow the investment directions of the Successor Agency in any Written Certificate or Written Request of the Successor Agency.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which accurate entries shall be made of all transactions of the Trustee relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency and the 2024 Insurer upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate co-trustee. The following provisions of this Section 6.09 are adopted to these ends.

In the event that the Trustee shall appoint an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them; provided, however, in no event shall the Trustee be responsible or liable for the acts or omissions of any co-trustee.

Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 6.10. Other Transactions with Successor Agency. The Trustee, either as principal or agent, may engaged in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption and without the consent of any Owners, to the extent permitted by law and only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or

(d) to amend the Recognized Obligation Debt Service Payment Schedule set forth in Exhibit B to take into account the redemption of any Bond prior to its maturity; or

(e) to provide for the issuance of Parity Debt pursuant to a Supplemental Indenture in accordance with Section 3.05.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding with the consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premium, (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In addition, the Trustee shall be entitled to an opinion of counsel concerning the Supplemental Indenture's lack of any material adverse effect on the Owners.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter

be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

Section 7.05. Trustee's Reliance. The Trustee may conclusively rely, and is protected in relying, upon a Written Certificate of the Successor Agency and an opinion of Bond Counsel stating that all requirements of this Indenture relating to the amendment or modification hereof have been satisfied and that such amendments or modifications do not materially adversely affect the interests of the Bond Owners.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest on any Bond or any Parity Debt when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture, in the Bonds or any Parity Debt Instrument contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such 30 day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency within such 30 day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United

States of America, or if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section and is continuing, the Trustee may, or, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) the Trustee shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to the Owners of all Bonds then Outstanding, and the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by

the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee;

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest; and

Third, to the payment of any amounts due to any provider of a municipal bond or financial guaranty insurance policy with respect to any Bonds, including the 2024 Insurer.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy

hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the 2024 Insurer and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the 2024 Insurer and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Defeasance of Bonds. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable; or

(ii) by irrevocably depositing with the Trustee or an escrow agent, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or a portion of Outstanding Bonds, including all principal and interest, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or a portion thereof (including all principal and interest) at or before maturity; or

(iv) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06 hereof, and (d) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and

to pay the Trustee all fees, expenses and costs of the Trustee. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency for deposit in the Special Fund.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Upon request of the Trustee, the Successor Agency shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal or interest on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by facsimile, addressed as follows:

If to the Successor Agency: Successor Agency to the Dissolved Lompoc
Redevelopment Agency
100 Civic Center Plaza
Lompoc, California 93436
Attention: City Manager
Facsimile: (805) 875-8378

If to the Trustee: U.S. Bank Trust Company, National
Association
633 W. 5th Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust
Email: nabeel.badawi@usbank.com

Attention:
Ref:
Facsimile:

If to the 2024 Insurer:

Attention:
Re: Policy Nos.
Telephone:
Fax:
E-Mail:

In each case in which notice or other communication refers to an Event of Default or claim on the 2024 Reserve Policy or the 2024 Bond Insurance Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the 2024 Insurer at the address for the 2024 Insurer set forth above and at _____ or at Fax: _____ and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all

of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on of such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE DISSOLVED LOMPOC REDEVELOPMENT AGENCY, has caused this Indenture to be signed in its name by the Management Services Director of the City, as the chief financial officer of the Successor Agency, and attested by its Secretary, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
DISSOLVED LOMPOC
REDEVELOPMENT AGENCY**

By: _____
Management Services Director,
City of Lompoc

ATTEST:

Secretary

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, *as Trustee***

By: _____
Authorized Officer

EXHIBIT A-1

(FORM OF 2024 BOND)

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SANTA BARBARA

SUCCESSOR AGENCY TO THE
DISSOLVED LOMPOC REDEVELOPMENT AGENCY
OLD TOWN LOMPOC REDEVELOPMENT PROJECT
TAX ALLOCATION REFUNDING BOND, SERIES 2024

| | | | |
|-----------------------|-----------------------|--------------------|---------------|
| <u>INTEREST RATE:</u> | <u>MATURITY DATE:</u> | <u>DATED DATE:</u> | <u>CUSIP:</u> |
| _____ % | _____, 20__ | _____, 2024 | _____ |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The SUCCESSOR AGENCY TO THE DISSOLVED LOMPOC REDEVELOPMENT AGENCY, a public entity, duly created and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before [August 15, 2024], in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on March 1 and September 1 in each year, commencing [September 1, 2024] (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon surrender of this Bond at the principal corporate trust office of U.S. Bank Trust Company, National Association, Los Angeles, California, as trustee (the "Trustee"), or at such other place as designated by the Trustee (the "Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity or earlier redemption hereof) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration

books maintained by the Trustee as of the Record Date for which such Interest Payment Date occurs; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Dissolved Lompoc Redevelopment Agency Old Town Lompoc Redevelopment Project Tax Allocation Refunding Bonds, Series 2024" (the "Bonds"), in an aggregate principal amount of _____ Dollars (\$[PAR]), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, redemption and other provisions) and all issued pursuant to the provisions of Section 34177.5 of the Health and Safety Code of the State of California and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law") and pursuant to an Indenture of Trust, dated as of July 1, 2024, entered into by and between the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds. The Bonds are being issued in the form of registered bonds without coupons. Capitalized terms used but not defined in this Bond have the meanings given to such terms in the Indenture.

In addition to the 2004 Loan, additional bonds, or other obligations may be issued or incurred on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law and the Refunding Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues, and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to refinance certain redevelopment activities, to acquire a debt service reserve policy for the Bonds and to pay certain expenses of the Successor Agency in issuing the Bonds.

As and to the extent set forth in the Indenture, all of the Tax Revenues are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Law, for the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on, the Bonds and any Parity Debt, including the 2004 Loan. The Bonds and any Parity Debt issued pursuant to a Supplemental Indenture shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Special Fund, the Debt Service Fund, the Interest Account, the Principal Account, the Sinking Account and the Redemption Account. In addition, the Bonds shall be secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Reserve Account. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Bonds maturing on or before September 1, 20__, are not subject to optional redemption prior to maturity. The Bonds maturing on and after September 1, 20__, are subject to redemption, at the option of the Successor Agency on any date on or after September 1, 20__,

as a whole or in part, by such maturities as shall be determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than twenty (20) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency has the right to rescind any notice of the optional redemption of Bonds by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default. The Successor Agency and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Indenture.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premium (if any) at the time and place and at

the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt of the City of Lompoc, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency in the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law, the Refunding Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law, the Refunding Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Dissolved Lompoc Redevelopment Agency has caused this Bond to be executed in its name and on its behalf with the facsimile signature of the Management Services Director of the City of Lompoc, California, as the chief financial officer of the Successor Agency, and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
DISSOLVED LOMPOC REDEVELOPMENT
AGENCY

By: _____
Management Services Director,
City of Lompoc

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

_____ (“___”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on this Bond to U.S. Bank Trust Company, National Association, Los Angeles, California, or its successor, as trustee for the Bonds (the “Trustee”). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from ___ or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of ___ as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Indenture or this Bond, ___ shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the trustee, paying agent, registrar or similar agent for the benefit of such owners under the Indenture, at law or in equity.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or tax regulations:

| | | | |
|--------------|--|-----------------------------------|-----------------|
| TEN COM -- | as tenants in common | UNIF GIFT MIN ACT _____ | Custodian _____ |
| TEN ENT -- | as tenants by the entireties | | (Cust.) (Minor) |
| JT TEN -- | as joint tenants with right of survivorship and not as tenants in common | under Uniform Gifts to Minors Act | _____ |
| | | | (State) |
| COMM PROP -- | as community property | | |

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney,

to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

RECOGNIZED OBLIGATION DEBT SERVICE PAYMENT SCHEDULE

2024 BONDS

| <u>Period</u> <u>Ending</u> | <u>Principal</u> | <u>Interest</u> | Total Debt <u>Service</u> |
|--|-------------------------|------------------------|--|
|--|-------------------------|------------------------|--|