

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

675



**FROM:** Successor Agency to the Redevelopment Agency

**SUBMITTAL DATE:**  
May 22, 2014

**SUBJECT:** Refunding of Outstanding Bonds of the Dissolved Redevelopment Agency, 1st District, 4<sup>th</sup> District, 5<sup>th</sup> District, [\$673,500] (Vote on Separately)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Adopt Successor Agency Resolution No. 2014-005 authorizing the issuance of refunding tax allocation bonds for the bonds issued in 2004 for Project Area 1-1986, Desert Communities Project Area, and the I-215 Corridor Project Area; and,
2. Direct staff to submit this item to the Oversight Board for approval.

**BACKGROUND:**

**Summary**

(commences on next page)

*Rohini Dasika*  
Rohini Dasika  
Senior Management Analyst

FORM APPROVED COUNTY COUNSEL  
BY: *Dale A. Gardner* 5/21/14 DATE  
DALE A. GARDNER Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ 673,500	\$ 673,500	\$ N/A	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	

<b>SOURCE OF FUNDS:</b> Bond Proceeds	<b>Budget Adjustment:</b> No
	<b>For Fiscal Year:</b> 14/15

**C.E.O. RECOMMENDATION:**

**APPROVE**

BY: *Alex Gann*  
Alex Gann

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: 4-1, 9/24/13; 4-1, 2/11/14

District: All

Agenda Number: \_\_\_\_\_

4-1

**BACKGROUND:**  
**Summary (continued)**

On September 24, 2013, the Board of Supervisors approved in principle the initiation of a County Redevelopment Bond Refunding Program (Agenda Item 4-1). On February 11, 2014, the Board of Supervisors, via Agenda Item 4-1, executed the Refunding Program Agreement and approved Successor Agency Resolution No. 2014-003, requesting direction to undertake proceedings for the refunding of outstanding bonds of the former Redevelopment Agency for the County of Riverside and providing for other matters relating thereto.

Prior to the dissolution of the Redevelopment Agency for the County of Riverside (Agency), the Agency issued \$102,785,000 in Series 2004 Tax Allocation Bonds for all redevelopment project areas, which will reach their ten (10) year call date and are callable on October 1, 2014. The proximity to the call date makes a number of the bond maturities attractive refunding candidates. The Successor Agency wishes to refund the callable bonds that will achieve specific debt service savings that will accrue to the benefit of the Successor Agency, the County, and other applicable taxing entities.

After analysis, the financial team has recommended bringing forward refunding series for three of the Agency's project areas – Project Area 1-1986 (1-1986), Desert Communities Project Area (DCPA), and I-215 Corridor Project Area (I-215). The bonds will be issued by the County's Public Financing Authority as have prior Redevelopment Agency bonds. The term of the existing bonds will not be extended. All of the refunding series produce savings well in excess of the Riverside County Debt Advisory Committee's (DAC) present value savings target of 3%. The issuance of the refunding bonds was approved at the DAC meeting on May 8, 2014.

The anticipated amount of the proposed bond issues, savings percentage, and savings amounts are shown in the table below. The combined total savings from the three series is projected to be approximately \$7.5 million and \$5.1 million expressed in 2014 dollars...

<b>Series</b>	<b>1-1986</b>	<b>DCPA</b>	<b>I-215</b>
Size	\$19,275,000	\$27,450,000	\$17,210,000
PV Savings	\$1,652,299	\$2,142,576	\$1,223,169
PV Savings As %	7.99%	7.34%	7.11%
Avg. Savings	\$102,426	\$134,958	\$76,576
Total Savings	\$2,458,228	\$3,238,996	\$1,837,815

These refunding bonds will be issued in October 2014. Staff is bringing forward this request for approval from the Successor Agency, and subsequently the Oversight Board, at this time due to the requirements for review by DOF as required by AB 1484. The AB 1484 lengthy review process requires a 60-day review period by the Department of Finance (DOF) after Successor Agency and Oversight Board approval. The final amounts of the proposed bond issue will be brought back to the Successor Agency after DOF has approved these documents. The Board package includes our independent financial advisor's report as required by the DOF.

**Impact on Citizens and Businesses**

This item will be beneficial for the citizens of Riverside County. County residents and businesses will ultimately benefit from the surplus tax revenue that will be derived from this refunding. The savings in debt service payments that would otherwise be paid to bondholders will be distributed to taxing entities including the County General Fund (approximately 21%), K-12 school districts and community college districts (approximately 60% combined), cities and special districts. The taxing entities will in turn have additional revenue to use for services for the residents of Riverside County.

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RESOLUTION NO. 2014-005

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE DISSOLVED REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, APPROVING THE EXECUTION AND DELIVERY OF INDENTURES OF TRUST RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

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

**WHEREAS,** prior to the dissolution of the Former Agency, the Former Agency issued its Redevelopment Agency for the County of Riverside Redevelopment Project Area No. 1 2004 Tax Allocation Bonds, Series A (the "Prior Series A Bonds") in the initial aggregate principal amount of \$24,865,000 for the purpose of financing redevelopment activities;

FORM APPROVED COUNTY COUNSEL

BY: Dale A. Gardner 5/21/14

DALE A. GARDNER DATE

1  
2           **WHEREAS**, prior to the dissolution of the Former Agency, the  
3 Former Agency issued its Redevelopment Agency For the County of  
4 Riverside Desert Communities Redevelopment Project Area 2004 Tax  
5 Allocation Bonds, Series D (the "Prior Series D Bonds") in the  
6 initial aggregate principal amount of \$34,840,000 for the purpose  
7 of financing redevelopment activities;

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9           **WHEREAS**, prior to the dissolution of the Former Agency, the  
10 Former Agency issued its Redevelopment Agency for the County of  
11 Riverside Interstate 215 Corridor Redevelopment Project Area  
12 2004 Tax Allocation Bonds, Series E (the "Prior Series E Bonds"  
13 and together with the Prior Series A Bonds and the Prior Series  
14 D Bonds, the "Prior Bonds") in the initial aggregate principal  
15 amount of \$20,240,000 for the purpose of financing redevelopment  
16 activities;

17  
18           **WHEREAS**, Section 34177.5 authorizes the Successor Agency to  
19 issue refunding bonds pursuant to Article 11 (commencing with  
20 Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5  
21 of the Government Code (the "Refunding Law") for the purpose of  
22 achieving debt service savings within the parameters set forth  
23 in Section 34177.5(a)(1) (the "Savings Parameters");

24  
25           **WHEREAS**, to determine compliance with the Savings  
26 Parameters for purposes of the issuance by the Successor Agency  
27 of its (i) Successor Agency to the Redevelopment Agency for the  
28 County of Riverside Redevelopment Project Area No. 1 2014 Tax

1 Allocation Refunding Bonds, Series A (the "Refunding Series A  
2 Bonds"), (ii) Successor Agency to the Redevelopment Agency For  
3 the County of Riverside Desert Communities Redevelopment Project  
4 Area 2014 Tax Allocation Refunding Bonds, Series D (the  
5 "Refunding Series D Bonds"), and (iii) Successor Agency to the  
6 Redevelopment Agency for the County of Riverside Interstate 215  
7 Corridor Redevelopment Project Area 2014 Tax Allocation  
8 Refunding Bonds, Series E (the "Refunding Series E Bonds" and  
9 together with the Refunding Series A Bonds and the Refunding  
10 Series D Bonds, the "Refunding Bonds"), the Successor Agency has  
11 caused its financial advisor, C.M. de Crinis & Co., Inc. (the  
12 "Financial Advisor"), to prepare an analysis of the potential  
13 savings that will accrue to the Successor Agency and to  
14 applicable taxing entities as a result of the use of the  
15 proceeds of the (a) Refunding Series A Bonds to repay the Prior  
16 Series A Bonds and, thereby, to refund the Prior Series A Bonds,  
17 (b) Refunding Series D Bonds to repay the Prior Series D Bonds  
18 and, thereby, to refund the Prior Series D Bonds and (c)  
19 Refunding Series E Bonds to repay the Prior Series E Bonds and,  
20 thereby, to refund the Prior Series E Bonds (collectively, the  
21 "Debt Service Savings Analysis");

22  
23  
24 **WHEREAS**, the Successor Agency desires at this time to  
25 approve the issuance of the Refunding Series A Bonds and to  
26 approve the form of and authorize the execution and delivery of  
27 the Indenture of Trust, by and between the Successor Agency and  
28 The Bank of New York Mellon Trust Company, N.A., as trustee,

1 providing for the issuance of the Refunding Series A Bonds (the  
2 "Series A Indenture") and the Irrevocable Refunding Instructions  
3 to be delivered to The Bank of New York Mellon Trust Company,  
4 N.A., as trustee of the Prior Series A Bonds, to be dated as of  
5 the date of the issuance and delivery of the Refunding Series A  
6 Bonds (the "Refunding Series A Instructions");  
7

8           **WHEREAS**, the Successor Agency wishes at this time to  
9 approve the issuance of the Refunding Series D Bonds and to  
10 approve the form of and authorize the execution and delivery of  
11 the Indenture of Trust, by and between the Successor Agency and  
12 The Bank of New York Mellon Trust Company, N.A., as trustee,  
13 providing for the issuance of the Refunding Series D Bonds (the  
14 "Series D Indenture") and the Irrevocable Refunding Instructions  
15 to be delivered to The Bank of New York Mellon Trust Company,  
16 N.A., as trustee of the Prior Series D Bonds, to be dated as of  
17 the date of the issuance and delivery of the Refunding Series D  
18 Bonds (the "Refunding Series D Instructions");  
19

20           **WHEREAS**, the Successor Agency wishes at this time to  
21 approve the issuance of the Refunding Series E Bonds and to  
22 approve the form of and authorize the execution and delivery of  
23 the Indenture of Trust, by and between the Successor Agency and  
24 The Bank of New York Mellon Trust Company, N.A., as trustee,  
25 providing for the issuance of the Refunding Series E Bonds (the  
26 "Series E Indenture" and together with the Series A Indenture  
27 and the Series D Indenture, the "Indentures" and each, an  
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1 "Indenture") and the Irrevocable Refunding Instructions to be  
2 delivered to The Bank of New York Mellon Trust Company, N.A., as  
3 trustee of the Prior Series E Bonds, to be dated as of the date  
4 of the issuance and delivery of the Refunding Series E Bonds  
5 (the "Refunding Series E Instructions" and together with the  
6 Refunding Series A Instructions and the Refunding Series D  
7 Instructions, the "Refunding Instructions");  
8

9  
10 **WHEREAS**, in order to increase the feasibility of refunding  
11 the Prior Bonds and other outstanding bonds of the Former  
12 Agency, which will potentially reduce the amount of property tax  
13 revenues required to pay debt service on the Prior Bonds thereby  
14 increasing the amount of property tax revenues available to the  
15 taxing entities, the Successor Agency has determined that it is  
16 necessary to amend the definition of the term "Qualified Reserve  
17 Account Credit Instrument" set forth in each Indenture of Trust  
18 with respect to certain outstanding bonds of the Successor  
19 Agency, as described on Exhibit A hereto, pursuant to one or  
20 more supplemental indentures thereto (each, a "Supplemental  
21 Indenture," and collectively, the "Supplemental Indentures");  
22

23 **WHEREAS**, the Successor Agency desires to approve the forms  
24 of and authorize the execution and delivery of the Supplemental  
25 Indentures;  
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1           **WHEREAS**, pursuant to Section 34179, an oversight board (the  
2 "Oversight Board") has been established for the Successor  
3 Agency;  
4

5           **WHEREAS**, the Successor Agency is now requesting that the  
6 Oversight Board (i) approve the issuance of the Refunding Bonds  
7 pursuant to this Resolution and the Indentures and (ii) approve  
8 the execution and delivery of the Supplemental Indentures;  
9

10           **WHEREAS**, the Successor Agency further requests that the  
11 Oversight Board make certain determinations described below on  
12 which the Successor Agency will rely in undertaking the  
13 refunding proceedings and the issuance of the Refunding Bonds;  
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15           **WHEREAS**, the Successor Agency has determined to sell the  
16 Refunding Series A Bonds to Citigroup Global Markets Inc. (in  
17 such capacity, together with any other underwriter selected by  
18 the Authorized Officers to serve as a co-manager, the "Series A  
19 Original Purchaser") pursuant to the terms of the Bond Purchase  
20 Agreement (the "Series A Purchase Agreement") to be entered into  
21 by the Successor Agency and the Series A Original Purchaser;  
22

23           **WHEREAS**, the Successor Agency has determined to sell the  
24 Refunding Series D Bonds to Citigroup Global Markets Inc. (in  
25 such capacity, together with any other underwriter selected by  
26 the Authorized Officers to serve as a co-manager, the "Series D  
27 Original Purchaser") pursuant to the terms of the Bond Purchase  
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1 Agreement (the "Series D Purchase Agreement") to be entered into  
2 by the Successor Agency and the Series D Original Purchaser;  
3

4           **WHEREAS**, the Successor Agency has determined to sell the  
5 Refunding Series E Bonds to Citigroup Global Markets Inc. (in  
6 such capacity, together with any other underwriter selected by  
7 the Authorized Officers to serve as a co-manager, the "Series E  
8 Original Purchaser" and together with the Series A Original  
9 Purchaser and the Series D Original Purchaser, the "Original  
10 Purchasers") pursuant to the terms of the Bond Purchase  
11 Agreement (the "Series E Purchase Agreement" and together with  
12 the Series A Purchase Agreement and the Series D Purchase  
13 Agreement, the "Purchase Agreement" and each a "Purchase  
14 Agreement") to be entered into by the Successor Agency and the  
15 Series D Original Purchaser; and  
16

17           **WHEREAS**, following approval by the Oversight Board of the  
18 issuance of the Refunding Bonds by the Successor Agency and upon  
19 submission of the Oversight Board Resolution to the California  
20 Department of Finance, the Successor Agency will, with the  
21 assistance its Disclosure Counsel, the Financial Advisor and the  
22 Fiscal Consultant to the Successor Agency, cause to be prepared  
23 a form of Official Statement for each of the Refunding Series A  
24 Bonds, the Refunding Series D Bonds and the Refunding Series E  
25 Bonds in each case describing the applicable Refunding Bonds and  
26 containing material information relating to the Successor Agency  
27 and the applicable Refunding Bonds, the preliminary forms of  
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1 which will be submitted to the Successor Agency for approval for  
2 distribution by the applicable Original Purchaser, as  
3 underwriter of the applicable Refunding Bonds, to persons and  
4 institutions interested in purchasing such Refunding Bonds;  
5

6 NOW, THEREFORE, the Successor Agency to the Redevelopment  
7 Agency for the County of Riverside **RESOLVES** as follows:  
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10 1. Determination of Savings. The Successor Agency has  
11 determined that there are significant potential savings  
12 available to the Successor Agency and to applicable taxing  
13 entities in compliance with the Savings Parameters by the  
14 issuance by the Successor Agency of the Refunding Bonds to  
15 provide funds to refund and defease the Prior Bonds, all as  
16 evidenced by the Debt Service Savings Analysis on file with the  
17 Secretary of the Successor Agency, which Debt Service Savings  
18 Analysis is hereby approved.

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20 2. Approval of Issuance of the Bonds.

21 (a) The Successor Agency hereby authorizes and approves  
22 the issuance of the Refunding Series A Bonds under the Law and  
23 the Refunding Law in the aggregate principal amount of not to  
24 exceed \$27,500,000, provided that the Refunding Series A Bonds  
25 are in compliance with the Savings Parameters with respect  
26 thereto at the time of sale and delivery;  
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2 (b) The Successor Agency hereby authorizes and approves  
3 the issuance of the Refunding Series D Bonds under the Law and  
4 the Refunding Law in the aggregate principal amount of not to  
5 exceed \$39,000,000, provided that the Refunding Series D Bonds  
6 are in compliance with the Savings Parameters with respect  
7 thereto at the time of sale and delivery; and

8  
9 (c) The Successor Agency hereby authorizes and approves  
10 the issuance of the Refunding Series E Bonds under the Law and  
11 the Refunding Law in the aggregate principal amount of not to  
12 exceed \$23,000,000, provided that the Refunding Series E Bonds  
13 are in compliance with the Savings Parameters with respect  
14 thereto at the time of sale and delivery.

15  
16 3. Approval of Indentures. The Successor Agency hereby  
17 approves the Indentures prescribing the terms and provisions of  
18 the Refunding Bonds and the application of the proceeds of the  
19 Refunding Bonds. Each of the Chief Executive Officer or the  
20 Deputy Chief Executive Officer of the County of Riverside, on  
21 behalf of the Successor Agency (each, an "Authorized Officer"),  
22 is hereby authorized and directed to execute and deliver, and  
23 the Secretary of the Successor Agency, is hereby authorized and  
24 directed to attest to, each Indenture for and in the name and on  
25 behalf of the Successor Agency, in substantially the forms on  
26 file with the Secretary of the Successor Agency, with such  
27 changes therein, deletions therefrom and additions thereto as  
28 the Authorized Officer executing the same shall approve, such

1 approval to be conclusively evidenced by the execution and  
2 delivery of each such Indenture. The Successor Agency hereby  
3 authorizes the delivery and performance of each Indenture.  
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5 4. Approval of Supplemental Indentures. The Successor  
6 Agency hereby further approves the Supplemental Indentures. Each  
7 Authorized Officer, is hereby authorized and directed to execute  
8 and deliver, and the Secretary of the Successor Agency, is  
9 hereby authorized and directed to attest to, each Supplemental  
10 Indenture for and in the name and on behalf of the Successor  
11 Agency, in substantially the forms on file with the Secretary of  
12 the Successor Agency, with such changes therein, deletions  
13 therefrom and additions thereto as the Authorized Officer  
14 executing the same shall approve, such approval to be  
15 conclusively evidenced by the execution and delivery of each  
16 such Supplemental Indenture. The Successor Agency hereby  
17 authorizes the delivery and performance of each Supplemental  
18 Indenture.  
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20 5. Approval of Refunding Instructions. The forms of the  
21 Refunding Instructions on file with the Secretary are hereby  
22 approved and the Authorized Officers are, each acting alone  
23 hereby authorized and directed, for and in the name and on  
24 behalf of the Successor Agency, to execute and deliver the  
25 Refunding Instructions. The Successor Agency hereby authorizes  
26 the delivery and performance of its obligations under the  
27 Refunding Instructions.  
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6. Oversight Board Approval of the Issuance of the Bonds.

The Successor Agency hereby requests the Oversight Board as authorized by Section 34177.5(f) and Section 34180 to approve the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1) and this Resolution and the Indentures.

7. Determinations by the Oversight Board. The Successor

Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f), to recover its costs related to the issuance of each of the Refunding Bonds from the proceeds of such Refunding Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of such Refunding Bonds;

(b) The application of proceeds of each of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the respective Prior Bonds, as well as the payment by the Successor Agency of costs of issuance of each of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the

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respective Refunding Bonds, notwithstanding Section 34177.3 or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Riverside County Auditor-Controller or any other person or entity other than the Successor Agency;

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34181(a)(3) without any deductions with respect to continuing costs related to each of the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183. In addition and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of any of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings with respect to such Refunding Bonds from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

8. Filing of Debt Service Savings Analysis and Resolution. The Secretary of the Successor Agency is hereby authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j)

1 with the Riverside County Administrative Officer, the Riverside  
2 County Auditor-Controller and the California Department of  
3 Finance.  
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6 9. Sale of Refunding Bonds. The Successor Agency hereby  
7 approves the Purchase Agreements. The Authorized Officers, each  
8 acting alone, are hereby authorized and directed to execute and  
9 deliver each Purchase Agreement for and in the name and on  
10 behalf of the Successor Agency, in substantially the forms on  
11 file with the Secretary of the Successor Agency, with such  
12 changes therein, deletions therefrom and additions thereto as  
13 the Authorized Officer executing the same shall approve, such  
14 approval to be conclusively evidenced by the execution and  
15 delivery of each such Purchase Agreement. The Authorized  
16 Officers are further authorized to select one or more co-  
17 managing underwriters for one or more series of the Refunding  
18 Bonds.

19  
20 10. Issuance of Refunding Bonds in Whole or in Part. It  
21 is the intent of the Successor Agency to sell and deliver the  
22 Refunding Bonds in whole, provided that there is compliance with  
23 the Savings Parameters. However, the Successor Agency will  
24 initially authorize the sale and delivery of the Refunding Bonds  
25 in whole or, if such Savings Parameters cannot be met with  
26 respect to the whole, then in part; provided that the Refunding  
27 Bonds so sold and delivered in part are in compliance with the  
28 Savings Parameters. The sale and delivery of the Refunding

1 Bonds in part will in each instance provide sufficient funds  
2 only for the refunding of that portion of the Refunding Bonds  
3 that meet the Savings Parameters. In the event the Refunding  
4 Bonds are initially sold in part, the Successor Agency intends  
5 to sell and deliver additional parts of the Refunding Bonds  
6 without the prior approval of the Oversight Board provided that  
7 in each such instance the Refunding Bonds so sold and delivered  
8 in part are in compliance with the Savings Parameters.  
9

10           11. Municipal Bond Insurance and Surety Bonds. The  
11 Authorized Officers, each acting alone, are hereby authorized  
12 and directed to take all actions necessary to obtain a municipal  
13 bond insurance policy for any of the Refunding Bonds and reserve  
14 account surety bonds for any of the Refunding Bonds from a  
15 municipal bond insurance company if it is determined, upon  
16 consultation with the Financial Advisor and the Original  
17 Purchaser of such Refunding Bonds, that such municipal bond  
18 insurance policy and/or surety bonds will reduce the true  
19 interest costs with respect to such Refunding Bonds.  
20

21           12. Approval of Official Statement. Following approval by  
22 the Oversight Board of the issuance of the Refunding Bonds by  
23 the Successor Agency and upon submission of the Oversight Board  
24 Resolution to the California Department of Finance, the  
25 Successor Agency will, with the assistance its Disclosure  
26 Counsel, Fiscal Consultant and Financial Advisor, cause to be  
27 prepared a form of Official Statement for each of the Refunding  
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1 Series A Bonds, the Refunding Series D Bonds and the Refunding  
2 Series E Bonds, in each case describing the applicable Refunding  
3 Bonds and containing material information relating to the  
4 Successor Agency and the applicable Refunding Bonds, the  
5 preliminary forms of which will be submitted to the Successor  
6 Agency for approval for distribution by the applicable Original  
7 Purchaser to persons and institutions interested in purchasing  
8 such Refunding Bonds.  
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10           13. Official Actions. The Authorized Officers and any and  
11 all other officers of the Successor Agency are hereby authorized  
12 and directed, for and in the name and on behalf of the Successor  
13 Agency, to do any and all things and take any and all actions,  
14 which they, or any of them, may deem necessary or advisable in  
15 obtaining the requested approvals by the Oversight Board and the  
16 California Department of Finance and in the issuance, sale and  
17 delivery of the Refunding Bonds. Whenever in this Resolution  
18 any officer of the Successor Agency is directed to execute or  
19 countersign any document or take any action, such execution,  
20 countersigning or action may be taken on behalf of such officer  
21 by any person designated by such officer to act on his or her  
22 behalf in the case such officer is absent or unavailable.  
23

24           14. Effective Date. This Resolution shall take effect from  
25 and after the date of approval and adoption thereof.  
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The foregoing resolution was passed and adopted by the  
Successor Agency to the Redevelopment Agency for the County of  
Riverside at a regular meeting held on the 3rd day of June,  
2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair

( S E A L )

Attest:

By: \_\_\_\_\_  
Secretary

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**EXHIBIT A**

**Existing Indentures**

Project Area No. 1.

1. Indenture of Trust, dated as of December 1, 2004, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2004 Tax Allocation Bonds, Series A, in the aggregate principal amount of \$24,865,000.

2. Indenture of Trust, dated as of September 1, 2005, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2005 Tax Allocation Bonds, Series A, in the aggregate principal amount of \$29,055,000.

3. Indenture of Trust, dated as of October 1, 2006, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2006 Tax Allocation Bonds, Series A, in the aggregate principal amount of \$22,045,000.

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Jurupa Valley Redevelopment Project Area

4. Indenture of Trust, dated as of December 1, 2004, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Jurupa Valley Redevelopment Project Area 2004 Tax Allocation Bonds, Series B, in the aggregate principal amount of \$16,715,000.

5. Indenture of Trust, dated as of September 1, 2005, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Jurupa Valley Redevelopment Project Area 2005 Tax Allocation Bonds, Series B, in the aggregate principal amount of \$60,220,000.

6. Indenture of Trust, dated as of October 1, 2006, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Jurupa Valley Redevelopment Project Area 2006 Tax Allocation Bonds, in the aggregate principal amount of \$68,740,000.

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2 7. Indenture of Trust, dated as of April 1, 2007, by and  
3 between the Former Agency and The Bank of New York Mellon  
4 Trust Company, N.A., as trustee, relating to the Former  
5 Agency's Redevelopment Agency For the County of Riverside  
6 Jurupa Valley Redevelopment Project Area 2007 Tax  
7 Allocation Refunding Bonds, Series B, in the aggregate  
8 principal amount of \$89,990,000.

9  
10 8. Indenture of Trust, dated as of March 1, 2011, by and  
11 between the Former Agency and The Bank of New York Mellon  
12 Trust Company, N.A., as trustee, relating to the Former  
13 Agency's (i) Redevelopment Agency For the County of  
14 Riverside Jurupa Valley Redevelopment Project Area 2011 Tax  
15 Allocation Bonds, Series B, in the aggregate principal  
16 amount of \$23,133,000.50 and (ii) Redevelopment Agency For  
17 the County of Riverside Jurupa Valley Redevelopment Project  
18 Area 2011 Taxable Tax Allocation Bonds, Series B-T, in the  
19 aggregate principal amount of \$11,525,000.

20 Mid-County Redevelopment Project Area

21  
22 9. Indenture of Trust, dated as of December 1, 2004, by and  
23 between the Former Agency and The Bank of New York Mellon  
24 Trust Company, N.A., as trustee, relating to the Former  
25 Agency's Redevelopment Agency For the County of Riverside  
26 Mid-County Redevelopment Project Area 2004 Tax Allocation  
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1 Bonds, Series C, in the aggregate principal amount of  
2 \$6,125,000.  
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4  
5 10. Indenture of Trust, dated as of September 1, 2005, by  
6 and between the Former Agency and The Bank of New York  
7 Mellon Trust Company, N.A., as trustee, relating to the  
8 Former Agency's Redevelopment Agency For the County of  
9 Riverside Mid-County Redevelopment Project Area 2005 Tax  
10 Allocation Bonds, Series C, in the aggregate principal  
11 amount of \$12,385,000.

12  
13 11. Indenture of Trust, dated as of October 1, 2006, by  
14 and between the Former Agency and The Bank of New York  
15 Mellon Trust Company, N.A., as trustee, relating to the  
16 Former Agency's Redevelopment Agency For the County of  
17 Riverside Mid-County Redevelopment Project Area 2006 Tax  
18 Allocation Bonds, Series C, in the aggregate principal  
19 amount of \$11,775,000.

20  
21 12. Indenture of Trust, dated as of July 1, 2010, by and  
22 between the Former Agency and The Bank of New York Mellon  
23 Trust Company, N.A., as trustee, relating to the Former  
24 Agency's Redevelopment Agency For the County of Riverside  
25 Mid-County Redevelopment Project Area 2010 Tax Allocation  
26 Bonds, Series C, in the aggregate principal amount of  
27 \$5,645,000.  
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2 Dessert Communities Redevelopment Project Area  
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4 13. Indenture of Trust, dated as of December 1, 2004, by  
5 and between the Former Agency and The Bank of New York  
6 Mellon Trust Company, N.A., as trustee, relating to the  
7 Former Agency's Redevelopment Agency For the County of  
8 Riverside Desert Communities Redevelopment Project Area  
9 2004 Tax Allocation Bonds, Series D, in the aggregate  
10 principal amount of \$34,840,000.  
11

12 14. Indenture of Trust, dated as of September 1, 2005, by  
13 and between the Former Agency and The Bank of New York  
14 Mellon Trust Company, N.A., as trustee, relating to the  
15 Former Agency's Redevelopment Agency For the County of  
16 Riverside Desert Communities Redevelopment Project Area  
17 2005 Tax Allocation Bonds, Series D, in the aggregate  
18 principal amount of \$16,995,000.  
19

20 15. Indenture of Trust, dated as of October 1, 2006, by  
21 and between the Former Agency and The Bank of New York  
22 Mellon Trust Company, N.A., as trustee, relating to the  
23 Former Agency's Redevelopment Agency For the County of  
24 Riverside Desert Communities Redevelopment Project Area  
25 2006 Tax Allocation Bonds, Series D, in the aggregate  
26 principal amount of \$71,725,000.  
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16. Indenture of Trust, dated as of July 1, 2010, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Desert Communities Redevelopment Project Area 2010 Tax Allocation Bonds, Series D, in the aggregate principal amount of \$32,415,000.

Interstate 215 Corridor Redevelopment Project Area

17. Indenture of Trust, dated as of December 1, 2004, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2004 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$20,240,000.

18. Indenture of Trust, dated as of September 1, 2005, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2005 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$25,420,000.



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19. Indenture of Trust, dated as of October 1, 2006, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2006 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$29,255,000.

20. Indenture of Trust, dated as of July 1, 2010, by and between the Former Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Former Agency's Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2010 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$50,520,000.

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**INDENTURE OF TRUST**

Dated as of \_\_\_\_\_ 1, 2014

by and between the

**SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee**

Relating to

\$ \_\_\_\_\_

**Successor Agency to the  
Redevelopment Agency For the County of Riverside  
Redevelopment Project Area No. 1  
2014 Tax Allocation Refunding Bonds, Series A**

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EXHIBIT A      FORM OF 2014 SERIES A BOND

## INDENTURE OF TRUST

This INDENTURE OF TRUST (this "Indenture") is made and entered into as of \_\_\_\_\_, 2014, by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public entity duly created and existing under the laws of the State of California (the "Successor Agency"), as successor to the Redevelopment Agency for the County of Riverside (the "Former Agency"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee");

### WITNESSETH:

**WHEREAS**, 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 of California (the "Redevelopment Law"), including the power to issue bonds for any of its corporate purposes; and

**WHEREAS**, a Redevelopment Plan for the Redevelopment Project Area No. 1 in the County of Riverside, California (the "Redevelopment Project") was adopted in compliance with all requirements of the Redevelopment Law; and

**WHEREAS**, to finance and refinance redevelopment activities with respect to the Redevelopment Project, the Former Agency borrowed money pursuant to a loan (the "1997 Loan") from the Riverside County Public Financing Authority (the "Authority") pursuant to a Loan Agreement in the original principal amount of \$2,135,000, dated as of September 1, 1997 with respect to Project Area No. 1, and being by and between the Former Agency, the Authority and U.S. Trust Company of California, as succeeded by The Bank of New York Trust Company, N.A. (the "1997 Loan Agreement"); and

**WHEREAS**, to finance activities with respect to the Redevelopment Project, the Former Agency issued pursuant to the Indenture of Trust, dated as of December 1, 2004, by and between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded by The Bank of New York Mellon Trust Company, N.A. (the "2004 Indenture"), its Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2004 Tax Allocation Bonds, Series A, in the aggregate principal amount of \$24,865,000 (the "2004 Bonds"); and

**WHEREAS**, for the purpose of providing funds to refinance the 1997 Loan Agreement in full and to finance additional redevelopment activities with respect to the Redevelopment Project, the Former Agency issued its Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2005 Tax Allocation Bonds, Series A, in the aggregate principal amount of \$29,055,000 (the "2005 Bonds"); and

**WHEREAS**, for the purpose of providing funds to finance additional redevelopment activities with respect to the Redevelopment Project, the Former Agency issued its Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2006 Tax Allocation Bonds, Series A, in the aggregate principal amount of \$22,045,000 (the "2006 Bonds"); and

**WHEREAS**, by implementation of California Assembly Bill X1 26, which amended provisions of the Redevelopment 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 of California 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 Indenture and related documents to which the Former Agency was a party; and

**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; and

**WHEREAS**, said Section 34177.5 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; and

**WHEREAS**, the Successor Agency has determined that it will achieve debt service savings within such parameters by the issuance pursuant to the Redevelopment Law, the Dissolution Act and the Refunding Law of its \$\_\_\_\_\_ aggregate principal amount of Successor Agency to the Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2014 Tax Allocation Refunding Bonds, Series A (the "2014 Series A Bonds") in order to refund, on a current basis, the outstanding 2004 Bonds; and

**WHEREAS**, debt service on the 2014 Series A Bonds will be payable on a parity basis with the debt service on the 2005 Bonds and the 2006; and

**WHEREAS**, in order to provide for the authentication and delivery of the 2014 Series A Bonds, to establish and declare the terms and conditions upon which the 2014 Series A 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**, the Successor Agency has determined that all acts and proceedings required by law necessary to make the 2014 Series A Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

**NOW, THEREFORE**, in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Outstanding Bonds 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

### Definitions; Rules Of Construction

**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 2014 Series A 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 2014 Series A 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.

**"Additional Revenues"** means, as the date of calculation, the amount of Tax Revenues which, as shown in a report of an Independent Redevelopment Consultant, are estimated to be receivable by the Successor Agency within the Fiscal Year following the Fiscal Year in which such calculation is made as a result of increases in the assessed valuation of taxable property in the Project Area due to either (a) construction which has been completed and for which a certificate of occupancy has been issued by the County or other appropriate governmental entity but which is not then reflected on the tax rolls, or (b) transfer of ownership or any other interest in real property which has been recorded but which is not then reflected on the tax rolls. For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the Project Area is estimated to increase above the assessed valuation of taxable property in the Project Area (as evidenced in the written records of the County) as of the date on which such calculation is made.

**"Annual Debt Service"** means, for each Bond Year, the sum of (a) the interest payable on the Bonds (including any Parity Debt) in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including any Parity Debt) scheduled to be paid in such Bond Year upon the maturity or mandatory sinking account redemption thereof. For purposes of such calculation, variable rate Parity Debt shall be deemed to bear interest at the maximum rate permitted by the Parity Debt Instrument pursuant to which such Parity Debt is issued. For purposes of such calculation, there shall be excluded debt service payments with respect to the Bonds or any Parity Debt (i) to the extent that amounts due with respect to the Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with this Indenture or the relevant Parity Debt Instrument or (ii) to the extent the proceeds thereof are then deposited in an escrow fund in which amounts are invested in Permitted Investments and from which moneys may not be released to the Successor Agency unless the amount of Tax Revenues for the current Fiscal Year (as evidenced in the written records of the County) plus Additional Revenues at least meets the requirements of Section 3.05(b).

**"Bond Counsel"** means (a) Jones Hall, A Professional Law Corporation, or (b) any other 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 October 2 in any year and extending to the next succeeding October 1, both dates inclusive; except that the first Bond Year shall begin on the Closing Date and end on October 1, 2014.

**"Bonds"** means, collectively, the 2014 Series A Bonds and, if the context requires, the 2005 Bonds, the 2006 Bonds and any additional Parity Debt. Unless the context otherwise requires, the term "Bond" or "Bonds" shall refer to the Bonds issued under this Indenture.

**"Business Day"** means a day of the year (other than a Saturday or Sunday) on which banks in the State or the State of New York are not required or permitted to be closed, and on which the New York Stock Exchange is open.

**"Certificate of the Successor Agency"** means a certificate in writing signed by the [Executive Director, any Deputy Executive Director or the Fiscal Manager] of the Successor Agency, or any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose. [Confirm titles of officers]

**"Closing Date"** means the date on which the 2014 Series A Bonds are delivered by the Successor Agency to the Original Purchaser.

**"Code"** means the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2014 Series A Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the 2014 Series A Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

**"Continuing Disclosure Certificate"** means that certain Continuing Disclosure Certificate, if any, executed by the Successor Agency, 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 2014 Series A Bonds, including but not limited to printing expenses, bond insurance 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 2014 Series A Bonds and any other cost, charge or fee in connection with the original issuance of the 2014 Series A Bonds.

**"Costs of Issuance Fund"** means the fund by that name established and held by the Trustee pursuant to Section 3.03 hereof.

**"County"** means the County of Riverside, 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:

- (a) cash;
- (b) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series);
- (c) Direct obligations of the Treasury that have been stripped by the Treasury itself, CATS, TIGRS and similar securities;
- (d) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form;
- (e) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P, provided that, if the issue is rated only by S&P (i.e., there is no Moody's rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and
- (f) 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 Rural Economic Community Development Administration (formerly 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 Title XI financings of the U.S. Maritime Administration; (vii) 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.

**"Depository"** means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.04.

**"Depository System Participant"** means any participant in the Depository's book-entry system.

**"Dissolution Act"** means the provisions of Assembly Bill X1 26, signed by the Governor June 28, 2011, and filed with the Secretary of State June 29, 2011, consisting of Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended by Assembly Bill 1484, signed by the Governor on June 27, 2012, and filed with the Secretary of State on June 27, 2012.

**"DOF"** means the California Department of Finance.

**"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, with respect to any investment, 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, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment. The Trustee shall have 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 directions of the Successor Agency.

**"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 as its official fiscal year period pursuant to a Certificate of the Successor Agency filed with the Trustee.

**"Former Agency"** means the Redevelopment Agency For the County of Riverside (also known as the Redevelopment Agency of the County of Riverside), a public body corporate and politic duly organized and formerly existing under the Law and dissolved in accordance with the Dissolution Act.

**"Housing Bonds"** means, collectively, the following: (i) the Former Agency's 2004 Tax Allocation Housing Bonds, Series A, (ii) the Former Agency's Redevelopment Agency for the County of Riverside 2004 Taxable Tax Allocation Housing Bonds, Series A-T, (iii) the Former Agency's 2005 Tax Allocation Housing Refunding Bonds, Series A, (iv) the Former Agency's 2010 Tax Allocation Housing Bonds, Series A, (v) the Former Agency's 2010 Tax Allocation Housing Bonds, Series A 2010 Taxable Tax Allocation Housing Bonds, Series A-T, (vi) the Former Agency's 2011 Tax Allocation Housing Bonds, Series A, and (vii) the Former Agency's 2011 Taxable Tax Allocation Housing Bonds, Series A-T, and (viii) any bonds issued to refund such bonds similarly secured by amounts which prior to the adoption of the Dissolution Act were required to be deposited into the Low and Moderate Income Housing Fund of the Former Agency pursuant to Sections 33334.2, 33334.3 and 33334.6 of the Law.

**"Indenture"** means this Indenture of Trust by and between the Successor Agency and the Trustee, as amended or supplemented from time to time pursuant to 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 and practicing as such under the laws of the State,

appointed by or acceptable to 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 Fiscal Consultant"** means any consultant or firm or firms of such consultants appointed by or acceptable to the Successor Agency and who, or each of whom: (a) is judged by the Successor Agency to have experience in matters relating to the financing of redevelopment projects; (b) is in fact independent and not under domination of 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 Revenues or otherwise with respect to the financing of redevelopment projects;

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

(c) does not have any substantial interest, direct or indirect, with the Successor Agency, other than as original purchaser of the Bonds or any Parity Debt; 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 Request of the Successor Agency filed with the Trustee.

**"Insurance Policy"** means the municipal bond insurance policy issued by the Insurer insuring the payment when due of the principal of an interest on the 2014 Series A Bonds as provided therein.

**"Insurer"** means \_\_\_\_\_, as issuer of the Insurance Policy.

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

**"Interest Payment Date"** means each April 1 and October 1, commencing October 1, 2014, for so long as any of the 2014 Series A Bonds remain unpaid.

**"Low and Moderate Income Housing Fund"** means the fund of the Former Agency by that name established pursuant to Section 33334.3 of the Redevelopment Law.

**"Maximum Annual Debt Service"** means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year payable on the Bonds or any Parity Debt in such Bond Year. For purposes of such calculation, variable rate Parity Debt shall be deemed to bear interest at the maximum rate permitted by the Parity Debt Instrument pursuant to which such Parity Debt is issued. For purposes of such calculation, there shall be excluded debt service payments with respect to the Bonds or any Parity Debt (i) to the extent that amounts due with respect to the Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with this Indenture or the relevant Parity Debt Instrument or (ii) to the extent the proceeds thereof are then deposited in an escrow fund in which amounts are invested in Permitted Investments and from which moneys may not be released to the Successor Agency unless the amount of Tax Revenues for the current Fiscal Year (as evidenced in the written records of the County) plus Additional Revenues at least meets the requirements of Section 3.05(b).

**"Moody's"** means Moody's Investors Service, Inc., its successors and assigns.

**"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).

**"Office"** means, with respect to the Trustee, the corporate trust office of the Trustee at [700 S. Flower Street, Suite 500, Los Angeles, California 90017], or at such other or additional offices as may be specified by the Trustee in writing to the Successor Agency, provided that for the purposes of maintenance of the Registration Books and presentation of Bonds for transfer, exchange or payment such term shall mean the office of the Trustee at which it conducts its corporate agency business. [Trustee to confirm address]

**"Original Purchaser"** means, \_\_\_\_\_, as the original purchaser of the 2014 Series A Bonds.

**"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 oversight board duly constituted from time to time pursuant to Section 34179 of the Dissolution Act.

**"Owner"** means, with respect to any Bond issued hereunder, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

**"Parity Debt"** means the 2005 Bonds and the 2006 Bonds, and any bonds, notes, loans, advances or other indebtedness issued or incurred by the Successor Agency on a parity with the 2014 Series A Bonds, the 2005 Bonds and the 2006 Bonds pursuant to Section 3.05.

**"Parity Debt Instrument"** means the 2005 Indenture, the 2006 Indenture and any resolution, indenture of trust, trust agreement or other instrument authorizing the issuance of

any Parity Debt and which otherwise complies with all of the terms and conditions of this Indenture, including, without limitation, the provisions of Section 3.05.

**"Parity Debt Special Funds"** means, collectively, (i) the special fund established by Section 4.02 of the 2005 Indenture known as the "2005 Redevelopment Project Area No. 1 Special Fund", which is held by the Successor Agency and which is herein referred to as the "2005 Special Fund," (ii) the special fund established by Section 4.02 of the 2006 Indenture known as the "2006 Redevelopment Project Area No. 1 Special Fund", which is held by the Successor Agency and which is herein referred to as the "2006 Special Fund," and (iii) any other special fund with respect to any Parity Debt established by any Supplemental Indenture.

**"Permitted Investments"** means any of the following which at the time of investment are legal investments under the laws of the State of California 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 and constitute Permitted Investments), but only to the extent that the same are acquired at Fair Market Value:

(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) certificates of beneficial ownership of the Farmers Home Administration; (ii) Federal Housing Administration debentures; (iii) participation certificates of the General Services Administration; (iv) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of the Government National Mortgage Association; (v) guaranteed Title XI financings of the U.S. Maritime Administration; and (vi) 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 only as stripped by the Successor 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 Fannie Mae; (iv) obligations of the Resolution Funding Corporation; and (v) consolidated system-wide bonds and notes of the Farm Credit System.

(d) Money market funds 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 at least AAAm-G, AAAm or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2 (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services).

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated "A-1+" or better by S&P and "Prime-1" by Moody's, which collateral must be held by a third party and provided that the Trustee 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) which are fully insured by FDIC, including BIF and SAIF.

(g) Investment and repurchase agreements with (or guaranteed by) financial institutions rated "Aa3" by Moody's and "AA-" by S&P.

(h) Commercial paper rated at the time of purchase "Prime-1" by Moody's and "A-1+" or better by S&P.

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the three highest rating categories assigned by such agencies.

(j) 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 "Prime-1" or "A3" or better by Moody's, and "A-1+" by S&P.

(k) The Local Agency Investment Fund of the State of California, created pursuant to Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

(l) the County's investment pool.

**"Plan Limitations"** means the limitations contained or incorporated in the Redevelopment Plan on (a) the aggregate principal amount of indebtedness payable from Tax Revenues which may be outstanding at any time and (b) the aggregate amount of taxes which may be divided and allocated to the Successor Agency pursuant to the Redevelopment Plan.

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

**"Pro Rata Share of Housing Debt Service"** means an amount equal to the percentage of debt service on Housing Bonds in the then current Bond Year, calculated by dividing the gross amount of taxes collected by the County for the Successor Agency pursuant to Section 34183 of the Dissolution Act and the Redevelopment Plan with respect to the Project Area in the last completed Fiscal Year by the sum of (i) the gross amount of taxes collected by the County for the Successor Agency pursuant to Section 34183 of the Dissolution Act and the Redevelopment Plan with respect to the Project Area in the last completed Fiscal Year, plus (ii) the gross amount of taxes collected by the County for the Successor Agency pursuant to Section 34183 of the Dissolution Act and the redevelopment plans for all of the other project areas of the Former Agency, which project areas include Project Area No. 1, the Jurupa Valley

Redevelopment Project Area, the Mid-County Redevelopment Project Area, and the Interstate 215 Corridor Redevelopment Project Area, in the last completed Fiscal Year. For the purpose of this calculation, the gross amount of taxes collected refers to taxes deposited by the County into the Redevelopment Property Tax Trust Fund prior to deducting pass through payment obligations or administrative fees charged by the County or the State of California.

**"Project Area"** means the project area described in the Redevelopment Plan.

**"Qualified Reserve Account Credit Instrument"** means the Surety Bond or an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee pursuant to Section 4.03(d), provided that all of the following requirements are met by the Successor Agency at the time of delivery thereof to the Trustee: (a) S&P and Moody's have assigned a long-term credit rating to such bank or insurance company is "A" (without regard to modifier) or higher; (b) such letter of credit or surety bond has a term of at least twelve (12) months; (c) such letter of credit 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 pursuant to Section 4.03(d); (d) the Trustee is authorized pursuant to the terms of such letter of credit 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 Section 4.03; and (e) prior written notice is given to the Indenture before the effective date of any such Qualified Reserve Account Credit Instrument.

**"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 California Health and Safety Code.

**"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 Law"** or **"Law"** means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto.

**"Redevelopment Plan"** means the Redevelopment Plan for Project Area No. 1 approved by Ordinance No. 635 of the Board adopted December 23, 1986, as heretofore amended by Ordinance No. 750 of the Board adopted November 29, 1994, Ordinance No. 793 of the Board adopted July 20, 1999, Ordinance No. 800 of the Board adopted December 14, 1999, by Ordinance No. 835 of the Board adopted November 30, 2004, together with any further amendments thereof at any time duly authorized pursuant to the Redevelopment Law.

**"Redevelopment Project"** means the undertaking of the Former Agency to redevelop the Project Area in accordance with the Redevelopment Plan.



**"Redevelopment Property Tax Trust Fund" or "RPTTF"** means the fund by that name established pursuant to California Health and Safety Code Sections 34170.5(a) and 34172(c) and administered by the County auditor-controller.

**"Refunding Fund"** means the 2014 Series A Refunding Fund established and held by the Trustee pursuant to Section 3.04.

**"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.

**"Registration Books"** means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the 2014 Series A Bonds.

**"Request of the Successor Agency"** means a request in writing signed by the [Executive Director, any Deputy Executive Director or the Fiscal Manager] of the Successor Agency, or any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose. [Confirm titles of officers]

**"Reserve Account"** means the account by that name established and held by the Trustee pursuant to Section 4.03(d) of this Indenture.

**"Reserve Requirement"** means, with respect to the 2014 Series A Bonds or any Parity Debt (including the 2005 Bonds and the 2006 Bonds), as of any calculation date, the least of (i) ten percent (10%) of the original principal amount of the 2014 Series A Bonds or Parity Debt, as applicable, provided that if the original issue discount of the 2014 Series A Bonds or Parity Debt exceeds 2% of such original principal amount, then initially ten percent (10%) of the original principal amount of, less original issue discount on, the 2014 Series A Bonds or Parity Debt, but excluding from such calculation any proceeds of Parity Debt deposited in an escrow described in the definitions of Annual Debt Service and Maximum Annual Debt Service, (ii) Maximum Annual Debt Service with respect to the 2014 Series A Bonds or Parity Debt, as applicable, or (iii) 125% of average Annual Debt Service on the 2014 Series A Bonds or Parity Debt, as applicable; 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 Section 4.03(d) hereof. For purposes of calculating Maximum Annual Debt Service with respect to determining the Reserve Requirement, variable rate Parity Debt shall be deemed to bear interest at the maximum rate permitted by the Parity Debt Instrument. The calculation of the Reserve Requirement may, at the option of the Successor Agency, be made with respect to the 2014 Series A Bonds and all Parity Debt, including the 2005 Bonds and the 2006 Bonds, on a combined basis, as provided in Section 4.03(d), provided that the Trustee shall establish separate subaccounts for the proceeds of the 2014 Series A Bonds, the 2005 Bonds and the 2006 Bonds to enable the Trustee to track the investment of the proceeds of the Series A Bonds, the 2005 Bonds and the 2006 Bonds.

In the event proceeds of the Bonds or Parity Debt are deposited in an escrow described in the definitions of Annual Debt Service and Maximum Annual Debt Service, each such time that moneys are released from such escrow, other than to prepay a portion of the Bonds or Parity Debt, an amount of such released moneys shall be deposited in the applicable Reserve Account as is necessary to ensure that the amount on deposit therein at least equals the Reserve Requirement for the Bonds or Parity Debt after such release.

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

**"S&P"** means Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., its successors and assigns.

**"Securities Depositories"** means The Depository Trust Company 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 Request of the Successor Agency delivered to the Trustee.

**"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 by that name established and held by the Agency pursuant to Section 4.02 of this Indenture.

**"State"** means the State of California.

**"Subordinate Debt"** means, collectively, any bonds, notes, loans, advances or other indebtedness issued or incurred by the Successor Agency in accordance with the requirements of Section 3.06, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues; or (b) secured by a pledge of or lien upon the Tax Revenues which is subordinate to the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds.

**"Successor Agency"** means the Successor Agency to the Redevelopment Agency for the County of Riverside, a public entity duly created and existing under the laws of the State of California, as successor to the Former Agency.

**"Supplemental Indenture"** means any indenture, agreement or other instrument which amends, supplements or modifies this Indenture and which has been duly entered into by and between the Successor Agency and the Trustee; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

**"Surety Bond"** means the \_\_\_\_\_ relating to the 2014 Series A Bonds.

**"Tax Revenues"** means all taxes annually allocated within the Plan Limitations 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 other applicable State laws 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 payments to the Successor Agency with respect to personal property within the Project Area pursuant to Section 16110 *et seq.* as of the California Government Code); and including that portion of such taxes (if any) otherwise required by Section 33334.2 of the Law to be deposited in the Low and Moderate Income Housing Fund, but only to the extent necessary to repay that portion of the proceeds of the Bonds and any Parity Debt (including applicable reserves and financing costs) used to finance or refinance the increasing or improving of the supply of low and moderate income housing within or of benefit to

the Project Area, but excluding all other amounts of such taxes required to be deposited into the Low and Moderate Income Housing Fund and excluding investment earnings. Pursuant to the Dissolution Act, a portion of such taxes are no longer required to be deposited into the Low and Moderate Income Housing Fund pursuant to Sections 33334.2, 33334.3 and 33334.6 of the Law (the "Prior Housing Deposit"), and, accordingly, such taxes shall exclude only the amount of the Prior Housing Deposit required to pay the Pro Rata Share of Housing Debt Service. Tax Revenues shall not include amounts payable by the Successor Agency under agreements entered into pursuant to Section 33401 of the Law, and amounts payable by the Successor Agency 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).

**"Term Bonds"** means, collectively, (a) the 2014 Series A Term Bonds, and (b) any maturity of Parity Debt which is subject to mandatory Sinking Account redemption pursuant to the Supplemental Indenture authorizing the issuance thereof.

**"Trustee"** means The Bank of New York Mellon Trust Company, N.A., as trustee hereunder, or any successor thereto appointed as Trustee hereunder in accordance with the provisions of Article VI.

**"2004 Bonds"** means the Former Agency's \$24,865,000 aggregate principal amount of Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2004 Tax Allocation Bonds, Series A.

**"2004 Bonds Refunding Instructions"** means those Irrevocable Refunding Instructions dated the date of issuance and delivery of the 2014 Series A Bonds relating to the defeasance and refunding of the 2004 Bonds, executed by the Successor Agency and delivered to The Bank of New York Mellon Trust Company, N.A., as trustee of the 2004 Bonds.

**"2004 Indenture"** means the Indenture of Trust dated as of December 1, 2004, between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded by The Bank of New York Mellon Trust Company, N.A., as amended, supplemented or modified from time to time pursuant to an indenture, agreement or other instrument entered in to pursuant to the provisions thereof.

**"2005 Bonds"** means the Former Agency's \$29,055,000 aggregate principal amount of Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2005 Tax Allocation Bonds, Series A.

**"2005 Indenture"** means the Indenture of Trust dated as of September 1, 2005, between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded by The Bank of New York Mellon Trust Company, N.A., as amended, supplemented or modified from time to time pursuant to an indenture, agreement or other instrument entered in to pursuant to the provisions thereof.

**"2006 Bonds"** means the Former Agency's \$22,045,000 aggregate principal amount of Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2006 Tax Allocation Bonds, Series A.

**"2006 Indenture"** means the Indenture of Trust dated as of October 1, 2006, between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded

by The Bank of New York Mellon Trust Company, N.A., as amended, supplemented or modified from time to time pursuant to an indenture, agreement or other instrument entered in to pursuant to the provisions thereof.

**"2014 Series A Subaccount of the Reserve Account"** means the subaccount by that name established and held by the Trustee pursuant to Section 4.03(d) hereof.

**"2014 Series A Term Bonds"** means, collectively, the 2014 Series A Bonds maturing on October 1, 20\_\_, and the 2014 Series A Bonds maturing on October 1, 20\_\_.

**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 of 2014 Series A Bonds

**SECTION 2.01. Authorization and Purpose of 2014 Series A Bonds.** The 2014 Series A Bonds in the aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) are hereby authorized to be issued by the Successor Agency under the Refunding Law, the Dissolution Act and the Redevelopment Law for the purpose of providing funds to refund the 2004 Bonds. The 2014 Series A Bonds shall be authorized and issued under, and shall be subject to the terms of, this Indenture, the Refunding Law, the Dissolution Act and the Redevelopment Law. The 2014 Series A Bonds shall be designated the "Successor Agency to the Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2014 Tax Allocation Refunding Bonds, Series A".

**SECTION 2.02. Terms of the 2014 Series A Bonds.** The 2014 Series A Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, so long as no 2014 Series A Bond shall have more than one maturity date. The 2014 Series A Bonds shall be dated the Closing Date, shall mature on October 1 in each of the years and in the amounts, and shall bear interest (calculated on the basis of a 360 day year comprised of twelve 30-day months) at the rates, as follows:

#### 2014 Series A Bonds

Maturity Date (October 1)	Principal Amount	Interest Rate
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Interest on the 2014 Series A Bonds 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 each Interest Payment Date to the Owner at the address of such Owner as it appears on the Registration Books as of the preceding Record Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any Owner of 2014 Series A Bonds in the aggregate amount of \$1,000,000 or more who shall furnish written instructions to the Trustee before the applicable Record Date. Any such written instructions shall remain in effect until rescinded in writing by the Owner. Principal of and premium (if any) on any 2014 Series A Bond

shall be paid upon presentation and surrender thereof, at maturity or the prior redemption thereof, at the Office of the Trustee and shall be payable in lawful money of the United States of America.

Each 2014 Series A Bond shall be dated as of the Closing Date and 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) unless it is authenticated on or before September 15, 2014, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such 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 2014 Series A Bonds.**

(a) Optional Redemption. The 2014 Series A Bonds maturing on or before October 1, 20\_\_\_, are not subject to optional redemption prior to maturity. The 2014 Series A Bonds maturing on and after October 1, 20\_\_\_, are subject to redemption, at the option of the Successor Agency on any date on or after October 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 2014 Series A 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 2014 Series A Bonds under this Section 2.03(a) at least 45 days prior to the date to be fixed for redemption or such later date as shall be permitted by the Trustee and the Successor Agency shall deposit or cause to be deposited all amounts required for any redemption pursuant to this Section 2.03(a) at least one Business Day prior to the date fixed for such redemption.

(b) Mandatory Sinking Account Redemption of 2014 Series A Bonds. The 2014 Series A Bonds maturing on October 1, 20\_\_\_ that bear interest at the rate of \_\_\_% per annum, October 1, 20\_\_\_ that bear interest at the rate of \_\_\_% per annum and October 1, 20\_\_\_, shall also be subject to redemption in whole, or in part by lot, on October 1 in each of the years as set forth in the following tables, 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 tables; *provided, however*, that if some but not all of such 2014 Series A Bonds have 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 2014 Series A Bonds shall be reduced by the aggregate principal amount of such 2014 Series A Bonds 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).

2014 Series A Term Bonds Maturing October 1, 20\_\_

Sinking Account  
Redemption Date  
(October 1)

Principal Amount  
To Be Redeemed

2014 Series A Term Bonds Maturing October 1, 20\_\_

Sinking Account  
Redemption Date  
(October 1)

Principal Amount  
To Be Redeemed

2014 Series A Term Bonds Maturing October 1, 20\_\_

Sinking Account  
Redemption Date  
(October 1)

Principal Amount  
To Be Redeemed

In lieu of redemption of the 2014 Series A Bonds pursuant to the preceding paragraph, amounts on deposit in the Special Fund (to the extent not required to be transferred by the Trustee pursuant to Section 4.03 during the current Bond Year) may also be used and withdrawn at the direction of the Successor Agency at any time for the purchase of such 2014 Series A Bonds 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 2014 Series A Bonds so purchased by the Successor Agency in any twelve-month period ending on August 1 in any year shall be credited towards and shall reduce the par amount of such 2014 Series A Bonds required to be redeemed pursuant to this subsection (b) on the next succeeding October 1.

(c) Notice of Redemption, Rescission. 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 thirty (30) but not more than sixty (60) days prior to the redemption date, to (i) the Owners of any 2014 Series A Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to one or more Information Services designated in a Request of the Successor Agency delivered to the Trustee (by any means acceptable to such depositories and services in substitution of first class mail); *provided, however*, that 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 2014 Series A Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall, if applicable, designate the CUSIP number of the 2014 Series A Bonds to be redeemed, shall state the individual number of each 2014 Series A Bond to be redeemed or state that all 2014 Series A Bonds between two stated numbers (both inclusive) or shall state that all of the 2014 Series A Bonds Outstanding of one or more maturities are to be redeemed, and shall require that such 2014 Series A Bonds be then surrendered at the Office of the Trustee for redemption at the said redemption price, giving notice also that further interest on the 2014 Series A Bonds to be redeemed will not accrue from and after the date fixed for redemption.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled 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 2014 Series A Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Successor Agency and the Trustee shall 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.

Upon the payment of the redemption price of 2014 Series A 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 2014 Series A Bonds being redeemed with the proceeds of such check or other transfer.

(d) Partial Redemption of 2014 Series A Bonds. In the event only a portion of any 2014 Series A Bond is called for redemption, then upon surrender thereof 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 2014 Series A Bond or 2014 Series A Bonds of the same interest rate and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the 2014 Series A Bond or 2014 Series A Bonds to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the 2014 Series A Bonds so called for redemption shall have been duly deposited with the Trustee, such 2014 Series A 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 provision is made in this Indenture for the redemption of less than all of the 2014 Series A Bonds of a maturity, the Trustee shall select the 2014 Series A Bonds of such maturity to be redeemed by lot in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, all 2014 Series A Bonds shall be deemed to be comprised of separate \$5,000 denominations and such separate denominations shall be treated as separate 2014 Series A Bonds which may be separately redeemed.



**SECTION 2.04. Form of 2014 Series A Bonds.** The 2014 Series A Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the respective forms set forth in Exhibit A 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, Authentication and Delivery of 2014 Series A Bonds.** The 2014 Series A Bonds shall be executed on behalf of the Successor Agency by the signature of its [Chairman, Executive Director, Deputy Executive Director or Finance Manager] and the signature of its Secretary 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 2014 Series A Bond ceases to be such officer before the Closing Date, such signature shall nevertheless be as effective as if the officer had remained in office until the Closing Date. Any 2014 Series A 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 2014 Series A Bond shall be the proper officers of the Successor Agency, duly authorized to execute debt instruments on behalf of the Successor Agency, although on the date of such 2014 Series A Bond any such person shall not have been such officer of the Successor Agency. [Confirm titles]

Only such of the 2014 Series A Bonds as shall bear thereon a certificate of authentication in the form set forth in Exhibit A, manually 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 of the Trustee shall be conclusive evidence that such 2014 Series A Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary 2014 Series A Bonds are issued pursuant to Section 2.09 hereof, the temporary 2014 Series A Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary 2014 Series A Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive 2014 Series A Bonds authenticated and delivered hereunder.

**SECTION 2.06. Transfer of 2014 Series A Bonds.** Any 2014 Series A Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2014 Series A Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Transfer of any 2014 Series A Bond shall not be permitted by the Trustee during the fifteen (15) day period preceding the selection of 2014 Series A Bonds for redemption or if such 2014 Series A Bond has been selected for redemption pursuant to Article IV. Whenever any 2014 Series A Bond or 2014 Series A Bonds shall be surrendered for transfer, the Successor Agency shall execute and the Trustee shall authenticate and shall deliver a new 2014 Series A Bond or 2014 Series A Bonds for a like aggregate principal amount and of like maturity. The Trustee may require the 2014 Series A Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing 2014 Series A Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

**SECTION 2.07. Exchange of 2014 Series A Bonds.** Any 2014 Series A Bond may be exchanged at the Office of the Trustee for a like aggregate principal amount of 2014 Series A Bonds of other authorized denominations and of like maturity. Exchange of any 2014 Series A

Bond shall not be permitted during the fifteen (15) day period preceding the selection of 2014 Series A Bonds for redemption or if such 2014 Series A Bond has been selected for redemption pursuant to Article IV. The Trustee may require the 2014 Series A Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing 2014 Series A Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

**SECTION 2.08. Registration Books.** The Trustee will keep or cause to be kept, at its Office, sufficient records for the registration and registration of transfer of the 2014 Series A Bonds, which shall at all times during normal business hours, and upon reasonable notice, be open to inspection by the Successor Agency; 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, 2014 Series A Bonds as hereinbefore provided.

**SECTION 2.09. Temporary Bonds.** The 2014 Series A Bonds may be initially issued in temporary form exchangeable for definitive 2014 Series A Bonds when ready for delivery. The temporary 2014 Series A 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 2014 Series A Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive 2014 Series A Bonds. If the Successor Agency issues temporary 2014 Series A Bonds it will execute and furnish definitive 2014 Series A Bonds without delay, and thereupon the temporary 2014 Series A Bonds shall be surrendered, for cancellation, in exchange therefor at the Office of the Trustee, and the Trustee shall deliver in exchange for such temporary 2014 Series A Bonds an equal aggregate principal amount of definitive 2014 Series A Bonds of authorized denominations. Until so exchanged, the temporary 2014 Series A Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive 2014 Series A Bonds authenticated and delivered hereunder.

**SECTION 2.10. 2014 Series A Bonds Mutilated, Lost, Destroyed or Stolen.** If any 2014 Series A Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such 2014 Series A Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new 2014 Series A Bond of like tenor and series in exchange and substitution for the 2014 Series A Bond so mutilated, but only upon surrender to the Trustee of the 2014 Series A Bond so mutilated. Every mutilated 2014 Series A Bond so surrendered to the Trustee shall be canceled by it and delivered to, or upon the order of, the Successor Agency. If any 2014 Series A Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory and indemnity satisfactory to the Trustee shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new 2014 Series A Bond of like tenor and series in lieu of and in substitution for the 2014 Series A Bond so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new 2014 Series A Bond issued under this Section and of the expenses which may be incurred by the Trustee in connection therewith. Any 2014 Series A Bond issued under the provisions of this Section in lieu of any 2014 Series A 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 2014 Series A 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 2014 Series A Bonds issued pursuant to this Indenture.

Notwithstanding any other provision of this Section 2.10, in lieu of delivering a new Bond for which principal has become due for a Bond which has been mutilated, lost, destroyed or stolen, the Trustee may make payment of such Bond in accordance with its terms upon receipt of indemnity satisfactory to the Trustee.

**SECTION 2.11. Book Entry Form.** (a) Original Delivery to DTC. The 2014 Series A Bonds shall be initially delivered to DTC in the form of a separate single fully registered bond (which may be typewritten) for each maturity of the 2014 Series A Bonds. Upon initial delivery, the ownership of each such 2014 Series A 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 2014 Series A Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to 2014 Series A Bonds the ownership of which shall be registered in the name of the Nominee, the Successor Agency and the Trustee shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Successor Agency holds an interest in the 2014 Series A Bonds. Without limiting the generality of the immediately preceding sentence, the Successor Agency and the Trustee shall have no 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 2014 Series A Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a 2014 Series A Bond Owner as shown in the Registration Books, of any notice with respect to the 2014 Series A Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the 2014 Series A Bonds to be redeemed in the event the Successor Agency elects to redeem the 2014 Series A Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a 2014 Series A Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the 2014 Series A Bonds or (v) any consent given or other action taken by the Depository as Owner of the 2014 Series A Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each 2014 Series A Bond is registered as the absolute owner of such 2014 Series A Bond for the purpose of payment of principal of and premium, if any, and interest on such 2014 Series A Bond, for the purpose of giving notices of redemption and other matters with respect to such 2014 Series A Bond, for the purpose of registering transfers of ownership of such 2014 Series A Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and the interest and premium, if any, on the 2014 Series A 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 2014 Series A Bonds to the extent of the sum or sums so paid. No person other than a 2014 Series A Bond Owner shall receive a 2014 Series 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 2014 Series A 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 2014

Series A 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 2014 Series A Bonds other than the 2014 Series A Bond Owners. Upon the written acceptance by the Trustee, the Trustee shall agree to take all action reasonably necessary for all representations of the Trustee in such letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of such letter, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the 2014 Series A Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that 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 2014 Series A Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the 2014 Series A Bonds, and by surrendering the 2014 Series A Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement 2014 Series A Bonds are to be issued. The Depository, by accepting delivery of the 2014 Series A 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 2014 Series A 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 2014 Series A Bonds shall designate, in accordance with the provisions hereof.

In the event the Successor Agency determines that it is in the best interests of the beneficial owners of the 2014 Series A Bonds that they be able to obtain certificated 2014 Series A Bonds, the Successor Agency may notify the Depository System Participants of the availability of such certificated 2014 Series A Bonds through the Depository. In such event, the Trustee will issue, transfer and exchange 2014 Series A Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the Successor Agency shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the 2014 Series A Bonds to any Depository System Participant having 2014 Series A Bonds credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such 2014 Series A Bonds, all at the Successor Agency's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any 2014 Series A Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such 2014 Series A Bond and all notices with respect to such 2014 Series A 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.

## ARTICLE III

### DEPOSIT AND APPLICATION OF PROCEEDS OF 2014 SERIES A BONDS ISSUANCE OF PARITY DEBT

**SECTION 3.01. Issuance of 2014 Series A Bonds.** Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver 2014 Series A Bonds in the aggregate principal amount of \$\_\_\_\_\_ to the Trustee and the Trustee shall authenticate and deliver the 2014 Series A Bonds to the Original Purchaser upon receipt of a Request of the Successor Agency therefor.

**SECTION 3.02. Deposit and Application of Proceeds.** On the Closing Date, the proceeds of the 2014 Series A Bonds received from the Original Purchaser in the amount of \$\_\_\_\_\_ (being the initial aggregate principal amount of the 2014 Series A Bonds (\$\_\_\_\_\_), (i) less the underwriter's discount of the Original Purchaser in the amount of \$\_\_\_\_\_, (ii) less net original issue discount on 2014 Series A Bonds in the amount of \$\_\_\_\_\_, (iii) less the premium of the Insurance Policy in the amount of \$\_\_\_\_\_, and (iv) less the premium on the Surety Bond in the amount of \$\_\_\_\_\_.

The proceeds of the 2014 Series A Bonds (being \$\_\_\_\_\_) shall be deposited in as follows:

a) The Trustee shall deposit the amount of \$\_\_\_\_\_ in the Costs of Issuance Fund.

(b) The Trustee shall credit the Surety Bond to the 2014 Series A Subaccount of the Reserve Account created as set forth in Section 4.03, in order to satisfy the Reserve Requirement with respect to the 2014 Series A Bonds; and

(c) The Trustee shall deposit the amount of \$\_\_\_\_\_, being the remainder of the proceeds of the 2014 Series A Bonds, in the Refunding Fund.

**SECTION 3.03. Costs of Issuance Fund.** There is hereby established a separate fund to be known as the "Costs of Issuance Fund", which shall be held by the Trustee in trust, and into which shall be deposited or credited the amounts provided for in Section 3.02(a). 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 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 fund. On the date which is six (6) months following the Closing Date, or upon the earlier Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Fund shall be transferred by the Trustee for deposit in the Debt Service Fund.

**SECTION 3.04. Refunding Fund.** There is hereby created the 2014 Series A Refunding Fund (the "Refunding Fund") held by the Trustee in trust for the benefit of the Successor Agency. The moneys in the Refunding Fund shall be maintained separate and apart from other moneys of the Successor Agency.

The Trustee shall transfer all moneys on deposit in the Refunding Fund to The Bank of New York Mellon Trust Company, N.A., as trustee of the 2004 Bonds, for deposit and

application under and pursuant to the 2004 Bonds Refunding Instructions. Upon making such transfer, the Refunding Fund shall be closed.

**SECTION 3.05. Issuance of Parity Debt.** In addition to the 2014 Series A Bonds, the 2005 Bonds and the 2006 Bonds, the Successor Agency may issue or incur additional Parity Debt in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any Parity Debt subject to the following specific conditions which are hereby made conditions precedent to the issuance and delivery of such Parity Debt issued under this Section:

(a) No Event of Default shall have occurred and be continuing, and the Successor Agency shall otherwise be in compliance with all covenants set forth in this Indenture.

(b) The Tax Revenues for each succeeding Fiscal Year based on the most recent assessed valuation of property in the Project Area as evidenced in written documentation from an appropriate official of the County or a written report of an Independent Redevelopment Consultant plus any Additional Revenues shall be at least equal to [one hundred twenty-five percent (125%)] of Annual Debt Service on the 2014 Series A Bonds and Parity Debt which will be outstanding immediately following the issuance of such Parity Debt for each applicable succeeding Bond Year.

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

(d) The Successor Agency shall fund a reserve account relating to such Parity Debt in an amount equal to the Reserve Requirement.

**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. The Successor Agency may issue or incur such Subordinate Debt subject to the following specific conditions precedent:

(a) The Successor Agency shall be in compliance with all covenants set forth in this Indenture and all Parity Debt Instruments;

(b) If, and to the extent, such Subordinate Debt is payable from Tax Revenues within the Plan Limitations on the amount of Tax Revenues, then all Outstanding Bonds, Parity Debt and Subordinate Debt coming due and payable following the issuance or incurrence of such Subordinate Debt shall not exceed the maximum amount of Tax Revenues permitted within the Plan Limitations.

(c) The Successor Agency shall deliver to the Trustee a Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Subordinate Debt set forth in this Section 3.06 have been satisfied.

**SECTION 3.07. Validity of Bonds.** The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Redevelopment Project or upon the performance by any person of its obligation with respect to the Redevelopment Project.

## ARTICLE IV

### SECURITY OF BONDS; FLOW OF FUNDS INVESTMENTS

**SECTION 4.01. Pledge of Tax Revenues.** The 2014 Series A Bonds, the 2005 Bonds and the 2006 Bonds and all other Parity Debt, shall be secured by a pledge of, security interest in and lien on all of the Tax Revenues and all of the moneys on deposit in the Special Fund. In addition, the 2014 Series A Bonds, the 2005 Bonds and the 2006 Bonds and any other Parity Debt, shall, subject to Section 8.02, be 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, the Redemption Account and the Reserve Account. Such pledge, security interest in and lien shall be for the equal security of the Outstanding Bonds without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The 2014 Series A Bonds shall be also equally secured by the pledge and lien created with respect to the 2014 Series A Bonds by Section 34177.5(g) of the California Health and Safety Code on moneys deposited from time to time in the Redevelopment Property Tax Trust Fund. Except for the Tax Revenues and such moneys, no funds of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the 2014 Series A Bonds.

In consideration of the acceptance of the 2014 Series A 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 2014 Series A 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 2014 Series A Bonds without preference, priority or distinction as to security or otherwise of any of the 2014 Series A 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.** There is hereby established a special fund known as the "2014 Redevelopment Project Area No. 1 Special Fund", which is held by the Successor Agency and which is herein referred to as the "Special Fund". The Successor Agency shall transfer all of the Tax Revenues received in any Bond Year ratably to the Parity Debt Special Funds and to the Special Fund promptly upon receipt thereof by the Successor Agency, until such time during such Bond Year as the amounts (i) on deposit in the Special Fund equal the aggregate amounts required to be transferred in such Bond Year into the Interest Account, the Principal Account, the Sinking Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 hereof, and (ii) on deposit in the Parity Debt Special Funds equal the aggregate amounts required to be transferred in such Bond Year pursuant to the applicable Parity Debt Instrument. If the amount of Tax Revenues available in any Bond Year shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii), of this paragraph, then the Successor Agency shall transfer such Tax Revenues for deposit ratably based on the full amounts required to be so deposited.

All Tax Revenues received by the Successor Agency during any Bond Year in excess of the amount required to be deposited as described in the preceding paragraph shall be released from the pledge, security interest and lien under the Indenture for the security of the 2014 Series A Bonds and any additional Parity Debt and may be applied by the Successor Agency for any

lawful purpose of the Successor Agency, including but not limited to the payment of Subordinate Debt, or the payment of any rebate amounts due and owing to the United States of America. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the 2014 Series A Bonds and the payment in full of all other amounts payable under this Indenture, and under any Parity Debt Instrument, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Debt Service Fund, except as may be provided in this Indenture and in any Parity Debt Instrument.

The Successor Agency acknowledges that, due to the passage of Dissolution Act, it will need to take certain actions to ensure that it collects sufficient Tax Revenues to make the deposits as and when required to be made into the Special Fund pursuant to this Section 4.02, and in order to insure the payment of debt service on the Bonds, including the 2014 Series A Bonds, on a timely basis. The Successor Agency covenants that it will take all such actions as required to make the deposits as and when required to be made into the Special Fund pursuant to this Section 4.02, and to make the timely payment of debt service on the Bonds. The Successor Agency further acknowledges that the provisions of the Dissolution Act require that it establish the Retirement Fund, into which all Tax Revenues are required to be deposited. The Successor Agency has heretofore established the Retirement Fund as required by Section 34170.5(a) of the California Health and Safety Code, and covenants that it shall continue to hold and maintain the Retirement Fund so long as any of the Bonds are Outstanding. The Successor Agency hereby agrees that it will hold the Special Fund and the Parity Debt Special Funds as accounts within Retirement Fund and will continue to deposit all Tax Revenues, as and when received, into such funds in order to ensure that all Tax Revenues are available for the payment of debt service on the Bonds on a timely basis.

**SECTION 4.03. Debt Service Fund; Transfer of Amounts to Trustee.** There is hereby established a special 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 and transferred by the Trustee in the following amounts, at the following times, and into the following respective special accounts within the Debt Service Fund, which accounts are hereby established, or continued, as applicable, with the Trustee to pay debt service on the 2014 Series A Bonds and any Parity Debt not otherwise provided for in a Parity Debt Instrument, in the following order of priority:

(a) Interest Account. On or before the fourth (4th) Business Day preceding each date on which interest on the 2014 Series A Bonds becomes due and payable, 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 then on deposit in the Interest Account, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding 2014 Series A Bonds on such 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 Interest Payment Date upon all of the Outstanding 2014 Series A 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 2014 Series A Bonds as it shall become due and payable (including accrued interest on any 2014 Series A Bonds purchased or redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the fourth (4th) Business Day preceding each date on which principal of the 2014 Series A 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 on deposit in the Principal Account, will be equal to the amount of principal coming due and payable on such date on the Outstanding 2014 Series A Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and of the 2014 Series A Bonds upon the maturity thereof.

(c) Sinking Account. On or before the fourth (4th) Business Day preceding each October 1 on which any Outstanding 2014 Series A Term Bonds become subject to mandatory redemption, or otherwise for purchases of 2014 Series A Term Bonds, 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 2014 Series A Term Bonds required to be redeemed on such October 1. 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 2014 Series A Term Bonds as it shall become due and payable upon redemption or purchase.

(d) Reserve Account. Amounts on deposit in the 2014 Series A Subaccount of the Reserve Account, which is hereby established and which is to be held by the Trustee, shall be available to pay debt service only on the 2014 Series A Bonds and any other Parity Debt hereafter issued that the Successor Agency elects to be secured by the 2014 Series A Subaccount of the Reserve Account. In the event that the Successor Agency elects to secure additional Parity Debt with the 2014 Series A Subaccount of the Reserve Account, the Successor Agency shall establish subaccounts within the Reserve Account as needed.

In the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Promptly upon receipt of any such notice, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Tax Revenues on deposit in the Special Fund to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Tax Revenues become available in the Special Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account 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 or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before four (4) Business Days preceding each April 1 and October 1 by the Trustee and deposited in the Interest Account.

All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03 or, (ii) if the Successor Agency shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by this Section 4.03, then, at the Request of the Successor Agency, such amount shall be transferred as directed by the Successor Agency.

The Successor Agency shall, with the prior written consent of the Insurer, have the right at any time to direct the Trustee to release funds from the Reserve Account, 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 2014 Series A Bonds 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 (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be applied in accordance with the Dissolution Act and the Redevelopment Law. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall reasonably be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall reasonably be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall be obligated either (i) to replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) to deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Tax Revenues.

The Reserve Account may 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 the Bonds and any Parity Debt in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee. Additionally, the Successor Agency may, in its discretion, combine amounts on deposit in the Reserve Account and on deposit in any reserve account relating to any (but not necessarily all) Parity Debt in order to maintain a combined reserve account for the Bonds and any (but not necessarily all) Parity Debt.

The calculation of the Reserve Requirement for the 2014 Series A Bonds has been made, and shall hereafter be made, without regard to the 2005 Bonds and the 2006 Bonds.

(e) Redemption Account. On or before the Business Day preceding any date on which 2014 Series A Bonds are subject to redemption, other than mandatory Sinking Account redemption of 2014 Series A Term Bonds, the Successor Agency shall transfer to the Redemption Account the amounts

required to pay the principal of and premium, if any, on the 2014 Series A Bonds to be so redeemed on such redemption date to the Trustee. The Trustee shall also deposit in the Redemption Account any other amounts received by it from the Successor Agency designated by the Successor Agency in writing to be deposited in the Redemption Account. 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 2014 Series A Bonds upon the redemption thereof, on the date set for such redemption, other than mandatory Sinking Account redemption of 2014 Series A Term Bonds. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such 2014 Series A Bonds, the Trustee may, at the direction of the Successor Agency, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of 2014 Series A Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on 2014 Series A Bonds, which is payable from the Interest Account) as shall be directed by the Successor Agency.

(f) Equal Rights. It is the intention of the Successor Agency that the 2014 Series A Bonds and Parity Debt shall be secured by and payable from all moneys deposited in the Retirement Fund on an equal basis. To the extent that moneys deposited in the Retirement Fund are insufficient to pay debt service on the 2014 Series A Bonds and Parity Debt as it becomes due, the 2014 Series A Bonds and Parity Debt shall be payable on a pro-rata basis from all available moneys deposited in the Retirement Fund.

## 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, premium (if any) and interest to become due in respect of all the Bonds 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. 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. 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 hereof, failure of the Successor Agency to comply with such Continuing Disclosure Certificate shall not constitute an Event of Default hereunder; *provided, however,* that any Participating Underwriter (as such term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the 2014 Series A 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 5.02.

**SECTION 5.03. Limitation on Additional Indebtedness.** The Successor Agency hereby covenants that so long as any of the Bonds remain Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations that are otherwise secured on a basis which is senior to the pledge and lien which secures the Bonds. The Successor Agency hereby covenants that it 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 the 2014 Series A Bonds, Parity Debt and any Subordinate Debt.

**SECTION 5.04. Extension of Payment of Bonds.** The Successor Agency shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Outstanding Bonds and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Successor Agency to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

**SECTION 5.05. Payment of Claims.** The Successor Agency shall 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 any part thereof, or upon any funds held by the Trustee pursuant hereto, 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 5.06. Books and Accounts; Financial Statements.** The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the County, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared and delivered to the Trustee annually and the Insurer, within one hundred and eighty (180) days after the close of each Fiscal Year so long as any of the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Tax Revenues, all disbursements from the Special Fund and the financial condition of the Redevelopment Project, including the balances in all funds and accounts relating to the Redevelopment Project, as of the end of such Fiscal Year. In accordance with Section 6.03(e), the Trustee shall not be responsible for reviewing such financial statements. The Successor Agency shall furnish a copy of such statements to any Owner upon reasonable request and at the expense of such Owner. In addition, the Successor Agency shall deliver the Successor Agency's annual budget to the Insurer upon the written request of the Insurer.

**SECTION 5.07. 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 the date of issuance of any Bonds, such Bonds shall be incontestable by the Successor Agency.

**SECTION 5.08. Payments of Taxes and Other Charges.** 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, 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 Redevelopment Project or any part thereof.

**SECTION 5.09. Disposition of Property.** Except as otherwise required by the Dissolution Act, the Successor Agency will not participate in the disposition of any land or real property in the Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of this Indenture) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the Project Area unless such disposition is permitted as hereinafter provided in this Section 5.09. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Fiscal Consultant to report on the effect of said proposed disposition. If the report of the Independent Fiscal Consultant concludes that the security of the Bonds or the rights of the Owners will not be materially adversely impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If such report concludes that such security will be materially adversely impaired by the proposed disposition, the Successor Agency shall not approve the proposed disposition.

**SECTION 5.10. Maintenance of Tax Revenues.** The Successor Agency shall comply with all requirements of the Redevelopment Law and the Dissolution Act 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 supplemental revenues and other amounts payable by the State) appropriate officials of the State of California. The Successor Agency shall not enter into any agreement with the County or any other governmental unit which would have the effect of reducing the amount of Tax Revenues available to the Successor Agency for payment of the Bonds. The Successor Agency shall not undertake proceedings for amendment of the Redevelopment Plan if such amendment shall result in payments to one of more taxing entities pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law or Section 34183(a)(1) of the California Health and Safety Code unless the Successor Agency shall first obtain a written opinion of an Independent Redevelopment Consultant that such payments will not adversely impair the Successor Agency's ability to pay the 2014 Series A Bonds and all Parity Debt. Nothing herein is intended or shall be construed in any way to prohibit or impose any limitations on the entering into by the Successor Agency of any such agreement, amendment or supplement which by its term is subordinate to the payment of the 2014 Series A Bonds and all Parity Debt.

**SECTION 5.11. Tax Covenants Relating to the 2014 Series A Bonds.**

(a) Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the 2014 Series A Bonds are not so used as to cause the 2014 Series A 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.

(b) 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

2014 Series A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(c) 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 2014 Series A Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the 2014 Series A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(d) Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2014 Series A Bonds from the gross income of the Owners of the 2014 Series A Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date. This covenant shall remain in full force and effect following defeasance of Bonds pursuant to Section 9.03.

(e) 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 2014 Series A Bonds.

(f) Hedge Bonds. All proceeds of the 2014 Series A Bonds, other than proceeds of the 2014 Series A Bonds deposited into the Debt Service Fund and the 2014 Series A Subaccount of the Reserve Account, will be invested in obligations the interest on which is not includible in gross income for federal income tax purposes under section 103 of the Code and which are not "specified private activity bonds" as defined in Section 57(a)(5)(C) of the Code.

The Trustee shall have no duty to monitor the compliance by the Successor Agency with any of the covenants contained in this Section 5.11.

**SECTION 5.12. Plan Limitations; Annual Review of Tax Revenues.** The Successor Agency shall manage its fiscal affairs in a manner which ensures that it will have sufficient Tax Revenues available under the Plan Limitations in the amounts and at the times required to enable the Successor Agency to pay the principal of and interest and premium (if any) on the 2005 Bonds and the 2006 Bonds and any other Parity Debt when due.

Additionally, the Successor Agency hereby covenants that it will annually review, no later than December 1 of each year, the total amount of tax increment revenue remaining available to be received by the Successor Agency under the Plan Limitations, as well as future cumulative Annual Debt Service, payments on any obligations of the Successor Agency payable from tax increment revenues that are senior to the 2014 Series A Bonds, and payments on obligations that are subordinate to the 2014 Series A Bonds. If, based on such review, the allocation of tax increment revenues to the Successor Agency in any of the next three succeeding Fiscal Years will (a) cause an amount equal to ninety-five (95%) of the amount remaining under the Plan Limitations to fall below the sum of (i) remaining cumulative Annual Debt Service, (ii) payments on obligations of the Successor Agency payable from tax increment revenues that are senior to the 2014 Series A Bonds, and (iii) payments on obligations that are subordinate to the 2014 Series A Bonds or (b) cause the tax increment cap in a sub-area of the Project Area to meet its cap, the Successor Agency shall adopt a plan approved by an Independent Redevelopment Consultant that demonstrates the Successor Agency's continuing ability to pay debt service on the 2014 Series A Bonds and Parity Debt. Such plan may include, among other actions,

defeating or redeeming the 2014 Series A Bonds or Parity Debt or reducing the amount of tax increment being claimed from one or more sub areas within the Project Area. In the event that the Successor Agency determines to defease or redeem 2014 Series A Bonds or Parity Debt, such defeasance shall be accomplished as provided in Section 9.03 hereof. Further, in the event the Successor Agency elects to defease or redeem 2014 Series A Bonds or Parity Debt, the Successor Agency shall first notify Moody's and S&P, and such defeasance or redemption shall occur only if the Successor Agency receives confirmation from Moody's and S&P that such defeasance or redemption will not, in and of itself, cause Moody's or S&P to lower the underlying rating then in effect with respect to the 2014 Series A Bonds and Parity Debt. The Successor Agency shall provide a copy of such plan to the Insurer, Moody's and S&P.

The Trustee shall not be responsible for monitoring or enforcing the requirements of this Section 5.12.

**SECTION 5.13. Compliance with the Law; Recognized Obligation Payment Schedules.** The Successor Agency shall comply with all of the requirements of the Redevelopment 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 scheduled debt service on the 2014 Series A Bonds and any Parity Debt, all amounts required to be deposited in the Special Fund pursuant to and in accordance with Section 4.02 of this Indenture, as well as any amount required to replenish the Reserve Account established under this Indenture, in Recognized Obligation Payment Schedules for each six-month period so as to enable the Riverside County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund on each January 2 and June 1 all amounts required to be deposited in the Special Fund and in the Parity Debt Special Funds (pursuant to and accordance with Section 4.02 this Indenture), which amounts will to be used to pay debt service on the Bonds, including the 2014 Series A Bonds. These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and DOF the amounts to be held by the Successor Agency in the Special Fund, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the California Health and Safety Code, that are necessary to comply with this Indenture.

The Successor Agency also covenants to calculate the amount of Tax Revenues received during each six-month period, as described above, to ensure that Tax Revenues are properly credited to and deposited in the Retirement Fund and the Special Fund, as required by Section 4.02 of this Indenture.

**SECTION 5.14. 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 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 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 or duties 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 in the conduct of such person's own affairs.

(b) The Successor Agency may, with the prior written consent of the Insurer, 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 the Insurer or, with the prior written consent of the Insurer, an instrument or concurrent instruments in writing signed by the Owners of not less than a majority of the principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time 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' 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 following 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 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 and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and to the predecessor Trustee an instrument indemnifying the predecessor Trustee for any costs or claims arising during the time the successor Trustee serves as Trustee hereunder, and 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, upon the receipt by the predecessor Trustee of the 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 or cause the successor Trustee to mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts hereunder to S&P and Moody's, and to the Owners at the 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 (i) be a company or bank having trust powers, (ii), shall have an office in the State of California or such other state as shall be acceptable to the Successor Agency, (iii) have (or be part of a bank holding company system whose bank holding company has) a combined capital and surplus of at least Seventy Five Million Dollars (\$75,000,000), and (iv) be subject to supervision or examination by federal or state authority. If such bank or company 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 bank or company 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 promptly resign in the manner and with the effect specified in subsection (c) of this Section.

**SECTION 6.02. Merger or Consolidation.** Any bank or company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank or company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or 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 2014 Series A 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 any offering memorandum, this Indenture or of the 2014 Series A Bonds 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 2014 Series A Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee may become the Owner of any 2014 Series A 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 of the principal amount of the 2014 Series A Bonds then Outstanding. The Trustee, either as principal or agent, may engage in or be entrusted in any financial or other transaction with the Successor Agency.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer.

(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 Successor Agency, accompanied by an opinion of Bond counsel, or in accordance with direction of the Owners of not less than a majority of the principal amount of the Bonds then 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 in good faith 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 willful 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 of the Trustee shall have actual knowledge thereof, or the Trustee shall have received written notice thereof at its Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance 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 hereunder or thereunder. The Trustee shall not be responsible for the Successor Agency's payment of principal and interest on the Bonds, the observance or performance by the Successor Agency of any other covenants, conditions or terms contained herein, or the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee shall not be responsible for reviewing the contents of any financial statements furnished to the Trustee pursuant to Section 5.06 and may rely conclusively on the Certificate of the Successor Agency accompanying such financial statements 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).

(f) No provision in this Indenture shall require the Trustee to risk, expend, or advance its own funds or otherwise incur any financial liability hereunder. However, if the Trustee elects to advance funds it, shall be entitled to receive interest on any moneys advanced by it hereunder, at the maximum rate permitted by law.

(g) The Trustee may establish additional accounts or subaccounts of the funds established hereunder as the Trustee deems necessary or prudent in furtherance of its duties under this Indenture.

(h) The Trustee shall have no responsibility 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.

(i) Before taking any action under Article VIII or this Article at the request of the Owners or Insurer, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners or Insurer for the reimbursement of all expenses to which it may 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.

(j) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable 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 the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(k) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. 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 instructions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions 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.

(l) The Trustee shall not be concerned with 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.** The Trustee shall be protected in acting upon any notice, resolution, requisition, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, including, without limitation, Bond Counsel or other counsel of or to the Successor Agency, with regard to legal questions, and 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 Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may (but shall have no duty to), 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 Fiscal 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 during normal business hours, and upon reasonable prior written notice, to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing.

**SECTION 6.06. Compensation and Indemnification.** The Successor Agency shall pay to the Trustee from time to time compensation for all services rendered under this Indenture and also all expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including any allocated costs of internal 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 compensation to its experts, attorneys and counsel incurred in declaring such Event of Default and in exercising the rights and remedies set forth in Article VIII.

The Successor Agency further covenants and agrees to indemnify and save the Trustee and its officers, directors, agents affiliates and employees, harmless against any loss, expense, including legal fees and expenses, and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability and of enforcing any remedies hereunder and under any related documents, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents affiliates or employees. The obligations of the Successor Agency 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 2014 Series A Subaccount of the Reserve Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Request of the Successor Agency filed with the Trustee at least two (2) Business Days in advance of the making of such investments, except that moneys in the 2014 Series A Subaccount of the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (g) of the definition thereof. In the absence of any such Request of the Successor

Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (d) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder, provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a Request of the Successor Agency specifying a specific money market fund and, if no such Request of the Successor Agency is so received, the Trustee shall hold such moneys uninvested. Moneys in the Special Fund may be invested only in Permitted Investments which are also obligations in which the Successor Agency is authorized to invest its own funds (and earnings on such moneys shall be retained in such Fund).

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. With respect to any restrictions set forth in the list of Permitted Investments which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the Successor Agency's expense. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. Whenever in this Indenture any moneys are required to be transferred by the Successor Agency to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments.

All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder (other than the Reserve Account) shall be deposited in the Interest Account; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account 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 Reserve Requirement. No Permitted Investment of moneys in the Reserve Account shall have a maturity in excess of five (5) years following the date of its acquisition, except that such restriction shall not apply to any investment agreement approved by the Insurer. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder upon receipt by the Trustee of the Request of the Successor Agency. 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 in accordance with 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 include detail for all investment transactions made by the Trustee hereunder; provided that the Trustee shall furnish the Successor Agency, as soon as practicable after the receipt thereof, all statements received by the Trustee with respect to any investment agreement, guaranteed investment contract or similar instrument.

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 2014 Series A 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.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Account shall be valued by the Successor Agency at their present value (within the meaning of section 148 of the Code).

**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 complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all funds and accounts established and held by the Trustee pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency at reasonable hours, during regular business hours, with reasonable prior notice and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting (which may be in the form of its customary statements) of all transactions 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 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 6.08 are adopted to these ends.

In the event that the Trustee appoints 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 that in the event of any conflict, the Co-Trustee shall defer to the 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.

The Trustee may perform any of its obligations or duties hereunder and under any related documents through agents or attorneys and shall not be responsible for the acts of any such agents or attorneys appointed by it with due care.

**SECTION 6.10. No Liability for Agency Performance.** The Trustee shall have no liability or obligation to the Bond Owners with respect to the payment of debt service 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.

**SECTION 6.11. 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. Authorized Amendments.** 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, with the consent of the Insurer (except no consent is required with respect to subsection (c) below), but 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 contained in this Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the Successor Agency provided such addition, limit, or surrender shall not materially adversely effect the interest of the Owners as determined by the Successor Agency and certified to the Trustee; 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 materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt pursuant to Section 3.05, and to provide the terms and conditions under which such Parity Debt may be issued, including but not limited to the establishment of special funds and accounts relating thereto and any other provisions relating solely thereto, subject to and in accordance with the provisions of Section 3.05; or

(d) to amend any provision hereof to assure the exclusion from gross income of interest on the 2014 Series A Bonds for federal income tax purposes, in the opinion of Bond Counsel filed with the Successor Agency and the Trustee; or

(e) to comply with the requirements of the provider of a Qualified Reserve Account Credit Instrument.

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 when the written consent of the Insurer and the written consents of the Owners of a majority of the principal amount of the Bonds then Outstanding are delivered to 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, (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.



Promptly following the adoption of any Supplemental Indenture pursuant to the written consent of the Insurer, the Successor Agency shall deliver a copy of the executed Supplemental Indenture to S&P.

As long as an Insurer is not in default under the terms of its Insurance Policy, it shall be deemed the owner of all of the Bonds or Parity Debt insured by its Insurance Policy for all purposes of this Section 7.01.

**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 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 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 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 shall be protected in relying, upon an opinion of 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 Owners.

**SECTION 7.06. Opinion of Counsel.** Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under this Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under this Indenture and does not adversely affect the exclusion of interest on the 2014 Series A Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the 2014 Series A Bonds from personal income taxation by the State.

**SECTION 7.07. Effect on Owners.** Notwithstanding any other provision of this Indenture, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee shall consider the effect on Owners as if there were no Insurance Policy.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES

**SECTION 8.01. Events of Default and Acceleration of Maturities.** Each of the following events shall constitute an Event of Default hereunder:

(a) Failure to pay any installment of the principal of any Bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Failure to pay any installment of interest on any Bonds when and as the same shall become due and payable.

(c) Failure by the Successor Agency to observe and perform any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such failure shall have continued for a period of thirty (30) days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the Successor Agency by the Trustee or the Insurer; ~~provided, however, if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default if corrective action is instituted by the Successor Agency within such thirty (30) day period and the Successor Agency shall thereafter diligently and in good faith cure such failure in a reasonable period of time.~~

(d) The Successor Agency shall commence a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

Subject in all respects to the provisions of Section 8.08, if an Event of Default has occurred and is continuing, the Trustee may, and if requested in writing by the Owners of a majority of the 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) upon receipt of indemnity satisfactory to it from any liability or expense, including payment of the fees and expenses of its counsel and agents, exercise any other remedies available to the Trustee and the Owners in law or at equity. The Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers for the Tax Revenues, if appropriate, and for the revenues, income, product, and profits thereon, if any, *ex parte*, and without notice, and the Successor Agency consents to the appointment of such receiver upon the occurrence of an Event of Default. If any receivership, bankruptcy, insolvency, or reorganization or other judicial proceedings affecting the Successor Agency is filed, the Trustee shall be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Trustee and Owners allowed in such proceedings for the entire amount due and payable under this Indenture at the time of the institution of such proceedings, and also for any additional amount which may become due and payable after such date, without prejudice to the right of any Owner to file a claim on his own behalf. The Trustee shall not be obligated to take any such action unless offered compensation, indemnity for its potential liability, and reimbursement for its legal fees and expenses in accordance with this Section.

Promptly upon becoming aware of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone 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 (b) above the Trustee shall, and with respect to any Event of Default described in clause (c) above the Trustee in its sole discretion may, also give such notice to the Owners in the same manner as provided herein for notices of redemption of the Bonds, 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) at the weighted average interest rate then borne by the Outstanding Bonds, and the fees and expenses of the Trustee, including any fees and expenses of its attorneys, 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 Owners of a majority of the 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 as follows and in the following order:

(a) To the payment of any fees, costs and expenses incurred by the Trustee to protect the interests of the Owners of the Bonds; payment of the fees, costs and expenses of the Trustee (including fees and expenses of its counsel, including any allocated costs of internal counsel) incurred in and about the performance of its powers and duties under this Indenture and the payment of all fees, costs and expenses owing to the Trustee pursuant to Section 6.06, together with interest on all such amounts advanced by the Trustee at the maximum rate permitted by law; and

(b) To the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts at the respective rates of interest borne by the Outstanding Bonds, 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 interest, principal and interest on overdue amounts without preference or priority among such interest, principal

and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

**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 of the 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 of the principal amount of the Bonds then Outstanding opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation accompanied, if requested by the Trustee, by indemnity or confirmation of indemnity as described in Section 8.01.

**SECTION 8.04. Limitation on Owners' 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 of the principal amount of 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 premium, if any, 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 and redemption premium (if any) on the Bonds to the respective Owners when due and payable as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner or the Trustee 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 Trustee and Owners by the Dissolution Act and the Redevelopment 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 Trustee, Successor Agency, or Owners, the Successor Agency, 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, subject to the provisions of Article VI.

**SECTION 8.07. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Trustee or 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 Dissolution Act and the Redevelopment Law or any other law.

**Section 8.08. Rights of the Insurer.** Anything in this Indenture to the contrary notwithstanding, upon the occurrence and continuation of an Event of Default, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies (including the right to require a declaration of acceleration) granted hereunder to the Bond Owners, or to the Trustee for the benefit of the Bond Owners, including but not limited to rights and remedies granted pursuant to Section 8.01 and including but not limited to the right to approve all waivers of any Events of Default. The rights granted to the Insurer under this Indenture shall be deemed terminated and shall not be exercisable by the Insurer during any period during which the Insurer shall be in default under the Insurance Policy.

## 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 and the Owners, any right, remedy, 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 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.** (a) If the Successor Agency shall pay and discharge the entire indebtedness on any Bonds in any one or more of the following ways:

(i) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or another fiduciary, in trust, at or before maturity, an amount of cash which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, in the opinion or report of an Independent Accountant is fully sufficient to pay such Bonds, including all principal, interest and redemption premium, if any;

(iii) by irrevocably depositing with the Trustee or another fiduciary, in trust, non-callable 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 any of the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premium, if any) at or before maturity; or

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

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any such 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 with respect to such Bonds shall cease and terminate, except only (A) the obligations of the Successor Agency under Section 5.11, (B) the obligation of the Trustee to transfer and exchange Bonds hereunder, (C) the obligation of the Successor Agency to pay or cause to be paid to the Owners of such Bonds, from the amounts so deposited with the Trustee, all sums due thereon, and (D) the obligations of the Successor Agency to

compensate and indemnify the Trustee pursuant to Section 6.06. Notice of such election shall be filed with the Trustee. In the event the Successor Agency shall, pursuant to the foregoing provisions, 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. Any funds thereafter held by the Trustee, which are not required for said purpose, shall be paid over to the Successor Agency.

(b) Notwithstanding the foregoing provisions of this Section 9.03, in the event that the principal, interest and premium (if any) on the Bonds shall be paid by the Insurer pursuant to the Insurance Policy, the obligations of the Trustee and the Successor Agency shall continue in full force and effect and the Insurer shall be fully subrogated to the rights of all Owners of the Bonds so paid.

(c) In the event that any portion or all of the Bonds are to be paid and discharged pursuant to Section 9.03(a)(iii), the Insurer shall be notified and provided with a draft copy of any proposed escrow agreement establishing the trust, the form of the Independent Certified Public Accountant's Certificate, the Preliminary Official Statement of the refunding issue (if applicable) and the form of approving opinion of bond counsel. ~~These materials shall be delivered to the Insurer by the Successor Agency no less than five (5) Business Days prior to the scheduled payment and discharge. Substitution of securities held in trust in the escrow shall not be permitted.~~

**SECTION 9.04. Execution of Documents and Proof of Ownership by Owners.** Any request, 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 request, 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 in good faith and in accordance therewith.

**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 (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, *provided however* that the Trustee shall not be deemed to have knowledge that any Bond is owned or held 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 the owner or is holding for the account of the Successor Agency.

**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 of or interest or any premium 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 Canceled Bonds.** Whenever in this Indenture provision is made for the surrender to the Successor Agency of any Bonds which have been paid or canceled pursuant to the provisions of this Indenture, upon receipt by the Trustee of the Request of the Successor Agency a certificate of destruction duly executed by the Trustee shall be deemed to be the equivalent of the surrender of such canceled Bonds and 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.** All written notices to be given under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, with prompt written confirmation by mail, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in any other case, upon actual receipt. The Successor Agency, the Trustee or the Insurer may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Successor Agency: Successor Agency to the  
Redevelopment Agency For the  
County of Riverside  
c/o Riverside County Economic Development Agency  
P.O. Box 1180  
Riverside, California 92502  
Attention: Executive Director  
Fax: (951) 955-6686 [Confirm]

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.  
700 S. Flower Street, Suite 500  
Los Angeles, California 90017-4104  
Attention: Corporate Trust Division  
Fax: (213) 630-6215

If to the Insurer:

So long as the Insurance Policy remains in effect, the Trustee shall furnish to the Insurer, by registered or certified mail or by facsimile or electronic transmission, a copy of any notice required to be given hereunder to the Bond Owners.



**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 and the Trustee hereby declare that they would have entered into 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.

**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 Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

**SECTION 9.11. Payment on Non-Business Days.** In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day.

**SECTION 9.12. Miscellaneous Rights of the Insurer.** For so long as either the Insurance Policy or the Surety Bond is outstanding, notwithstanding anything to the contrary set forth in this Indenture, the Successor Agency agrees as follows:

(a) Notices. Any notice to be given to any party under this Indenture shall also be given to the Insurer at \_\_\_\_\_ Attn: \_\_\_\_\_.

(b) Amendments or Supplements. Any amendment or supplement to the Indenture requiring the consent of the Owners of the 2014 Series A Bonds shall also require the consent of the Insurer. The Successor Agency agrees to send a copy of any amendment or supplement requiring the consent of the Insurer to S&P. The Successor Agency shall give the Insurer notice of any amendment or supplement made to this Indenture which do not require consent of the Owners of the 2014 Series A Bonds.

(c) Insurer as Third Party Beneficiary. The Insurer is a third-party beneficiary hereunder and shall have the power to enforce any right, remedy or claim conferred, given or granted under this Indenture.

**SECTION 9.13. 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 9.14. Governing Law.** This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE has caused this Indenture to be signed in its name by the [Chief Executive Officer] of the County of Riverside on behalf of the Successor Agency to the Redevelopment Agency for the County of Riverside and attested to by its Secretary, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., 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  
REDEVELOPMENT AGENCY FOR THE  
COUNTY OF RIVERSIDE

By: County of Riverside

By \_\_\_\_\_  
[Chief Executive Officer]

ATTEST:

\_\_\_\_\_  
Secretary

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.,  
*as Trustee*

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FORM OF 2014 SERIES A BOND**

No. \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF CALIFORNIA

**SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
REDEVELOPMENT PROJECT AREA NO. 1  
2014 TAX ALLOCATION REFUNDING BOND, SERIES A**

RATE OF INTEREST:      MATURITY DATE:      ORIGINAL ISSUE DATE:      [CUSIP:]  
[Closing Date]

REGISTERED OWNER:

PRINCIPAL AMOUNT:      DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public entity duly created and existing under the laws of the State of California (the "Successor Agency"), for value received, hereby promises to pay (but only out of the Tax Revenues and other moneys and securities hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, which date shall be the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date (a "Record Date"), in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to September 15, 2014, in which event it shall bear interest from the Original Issue Date identified 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 hereon has previously been paid or made available for payment), payable semiannually on April 1 and October 1 in each year, commencing October 1, 2014 (the "Interest Payment Dates"), until payment of such Principal Amount in full. The Principal Amount hereof is payable upon presentation hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), in Los Angeles, California or such other location as the trustee may designate. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of such Registered

Owner as it appears on the registration books of the Trustee as of the preceding Record Date; provided that at the written request of the owner of at least \$1,000,000 aggregate principal amount of Bonds, which written request is on file with the Trustee prior to any Record Date, interest on such Bonds shall be paid on the succeeding Interest Payment Date by wire transfer to an account of a financial institution within the United States of America as shall be specified in such written request.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as the "Successor Agency to the Redevelopment Agency For the County of Riverside Redevelopment Project Area No. 1 2014 Tax Allocation Refunding Bonds, Series A" (the "Bonds") of an aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions) and all issued pursuant to the provisions of 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 (the "Refunding Law"), the Dissolution Act (as such term is defined in the Indenture), and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Redevelopment Law") and pursuant to an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2014, by and between the Successor Agency and the Trustee (the "Indenture"). The Successor Agency may issue or incur additional obligations 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 supplements thereto and to the Refunding Law, the Dissolution Act and the Redevelopment 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, as that term is defined in the Indenture, and the rights thereunder of the 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 the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency to finance and refinance redevelopment activities of the Successor Agency. This Bond and the interest hereon and all other parity obligations and the interest thereon (to the extent set forth in the Indenture) are payable from, and are secured by a charge and lien on the Tax Revenues derived by the Successor Agency from the Redevelopment Project Area No. 1 in the County of Riverside, California (the "Project Area"), a duly designated redevelopment project under the laws of the State of California, under and in accordance with the Indenture. As and to the extent set forth in the Indenture, all of the Tax Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, the Refunding Law and the Dissolution Act and the Redevelopment Law, to the payment of the principal of and interest and premium (if any) on the Bonds and any such parity obligations. The Bonds and any such parity obligations are secured by a pledge on, security interest in and lien on the Tax Revenues which is subordinate to or on a parity with the pledge, security interest and lien on the Tax Revenues in favor of certain outstanding obligations of the Successor Agency, as provided in the Indenture. Notwithstanding the foregoing, certain amounts out of Tax Revenues may be applied for other purposes as provided in the Indenture.

This Bond is not a debt of the County of Riverside, the State of California, or any of its political subdivisions, other than the Successor Agency, and neither said County, 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 the Tax Revenues.

The rights and obligations of the Successor Agency and the 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 permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages of the Bond owners required to effect any such modification or amendment.

The Bonds maturing on or before October 1, 20\_\_\_, are not subject to optional redemption prior to maturity. The Bonds maturing on and after October 1, 20\_\_\_, are subject to redemption, at the option of the Successor Agency on any date on or after October 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 the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on October 1, 20\_\_\_, October 1, 20\_\_\_, and October 1, 20\_\_\_ are subject to mandatory sinking account redemption in part by lot, on October 1 in each of the years thereafter as set forth in the following tables, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium; *provided, however*, that if some but not all of such Bonds have been optionally redeemed pursuant to the preceding paragraph, the total amount of all Bonds to be redeemed thereafter from mandatory sinking account payments shall be reduced on a pro rata basis in integral multiples of \$5,000.

Bonds Maturing October 1, 20\_\_\_

Sinking Account Redemption Date <u>(October 1)</u>	Principal Amount To be Redeemed <u>or Purchased</u>
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Term Bonds Maturing October 1, 20\_\_\_

Sinking Account Redemption Date <u>(October 1)</u>	Principal Amount <u>To Be Redeemed</u>
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Term Bonds Maturing October 1, 20\_\_\_\_

Sinking Account  
Redemption Date  
(October 1)

Principal Amount  
To Be Redeemed

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books of 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 optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled 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 under the Indenture. The Successor Agency and the Trustee shall 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.

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.

In lieu of redemption of Bonds amounts on deposit in the Special Fund (as defined in the Indenture) may be withdrawn and used at the direction of the Successor Agency at any time to purchase such Bonds at public or private sale 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 such Bonds so purchased by the Successor Agency in any twelve-month period ending on August 1 will be credited toward, and will reduce the par amount of, Bonds required to be redeemed pursuant to the Indenture on the next succeeding October 1 of such year.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all outstanding 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.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at said corporate trust office of the Trustee in Los Angeles, California or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and

cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of 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 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.

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, form and manner as required by the Refunding Law, the Dissolution Act and the Redevelopment 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 Refunding Law, the Dissolution Act and the Redevelopment 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 endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency For the County of Riverside has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its \_\_\_\_\_ and attested to by the facsimile signature of its Secretary, all as of the Original Issue Date specified above.

SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY FOR THE  
COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
\_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Secretary

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

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

Dated: \_\_\_\_\_

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., *as Trustee*

By: \_\_\_\_\_  
Authorized Signatory



**ASSIGNMENT**

For value received the undersigned do(es) hereby sell, assign and transfer unto

\_\_\_\_\_  
\_\_\_\_\_

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

the within Bond and do(es) hereby irrevocably constitute and appoint

\_\_\_\_\_ attorney,  
to transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTICE: The signature(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.

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**FIRST SUPPLEMENTAL  
INDENTURE OF TRUST**

Dated as of \_\_\_\_\_ 1, 2014

by and between the

**SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee**

Relating to

**\$20,240,000**

**Redevelopment Agency for the County of Riverside  
Interstate 215 Corridor Redevelopment Project Area  
2004 Tax Allocation Bonds, Series E**

**\$25,420,000**

**Redevelopment Agency for the County of Riverside  
Interstate 215 Corridor Redevelopment Project Area  
2005 Tax Allocation Bonds, Series E**

**\$29,255,000**

**Redevelopment Agency for the County of Riverside  
Interstate 215 Corridor Redevelopment Project Area  
2006 Tax Allocation Bonds, Series E**

and

**\$50,520,000**

**Redevelopment Agency For the County of Riverside  
Interstate 215 Corridor Redevelopment Project Area  
2010 Tax Allocation Bonds, Series E**

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## FIRST SUPPLEMENTAL INDENTURE OF TRUST

This First Supplemental Indenture of Trust (this "First Supplemental Indenture"), dated as of \_\_\_\_\_ 1, 2014, is by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public entity duly created and existing under the laws of the State of California (the "Successor Agency"), as successor to the Redevelopment Agency for the County of Riverside (the "Former Agency"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A, a national banking association organized and existing under the laws of the United States of America, as trustee under the hereinafter defined 2004 Series E Indenture, the 2005 Series E Indenture, the 2006 Series E Indenture and the 2010 Series E Indenture (the "Trustee");

### WITNESSETH:

**WHEREAS**, 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 of California (the "Redevelopment Law"); including the power to issue bonds for any of its corporate purposes; and

**WHEREAS**, a Redevelopment Plan for the Interstate 215 Corridor Redevelopment Project Area in the County of Riverside, California (the "Redevelopment Project") was adopted in compliance with all requirements of the Redevelopment Law; and

**WHEREAS**, for the purpose of providing funds to finance and refinance redevelopment activities with respect to the Redevelopment Project, the Former Agency borrowed money pursuant to a loan (the "1997 Loan") from the Riverside County Public Financing Authority (the "Authority") pursuant to a Loan Agreement in the original principal amount of \$12,890,000, dated as of September 1, 1997, with respect to Project Area No. 5 (now known as Interstate 215 Corridor Redevelopment Project Area), and being by and between the Former Agency, the Authority and U.S. Trust Company of California, as succeeded by The Bank of New York Trust Company, N.A. (the "1997 Loan Agreement"); and

**WHEREAS**, for the purpose of providing funds to finance activities with respect to the Redevelopment Project, the Former Agency issued pursuant to the Indenture of Trust, dated as of December 1, 2004, by and between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded by the Trustee (the "2004 Series E Indenture"), its Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2004 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$20,240,000 (the "2004 Series E Bonds"); and

**WHEREAS**, for the purpose of providing funds to refinance the 1997 Loan Agreement and to finance additional redevelopment activities with respect to the Redevelopment Project, the Former Agency issued pursuant to the Indenture of Trust dated as of September 1, 2005, by and between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded by the Trustee (the "2005 Series E Indenture") its Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2005 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$25,420,000 (the "2005 Series E Bonds"); and

**WHEREAS**, for the purpose of providing funds to refinance the 1997 Loan Agreement in full and to finance additional redevelopment activities with respect to the Redevelopment Project, the Former Agency issued pursuant to the Indenture of Trust dated as of October 1, 2006, by and between the Former Agency and The Bank of New York Trust Company, N.A., as trustee, as succeeded by the Trustee (the "2006 Series E Indenture") its Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2006 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$29,255,000 (the "2006 Series E Bonds"); and

**WHEREAS**, for the purpose of providing funds to finance additional redevelopment activities with respect to the Redevelopment Project, the Former Agency issued the Indenture of Trust dated as of July 1, 2010, between the Former Agency and the Trustee (the "2010 Series E Indenture" and together with the 2004 Series E Indenture, the 2005 Series E Indenture and the 2006 Series E Indenture, the "Indentures" and each, an "Indenture") its Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2010 Tax Allocation Bonds, Series E, in the aggregate principal amount of \$50,520,000 (the "2010 Series E Bonds"); and

**WHEREAS**, by implementation of California Assembly Bill X1 26, which amended provisions of the Redevelopment 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 of California 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 Indentures and related documents to which the Former Agency was a party; and

**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; and

**WHEREAS**, said Section 34177.5 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; and

**WHEREAS**, the Successor Agency has determined that it will achieve debt service savings within such parameters by the issuance pursuant to the Redevelopment Law, the Dissolution Act and the Refunding Law of its Successor Agency to the Redevelopment Agency For the County of Riverside Interstate 215 Corridor Redevelopment Project Area 2014 Tax Allocation Refunding Bonds, Series E (the "2014 Series E Bonds") in order to refund, on a current basis, all or a portion of the outstanding 2004 Series E Bonds; and

**WHEREAS**, in order to increase the feasibility of refunding the 2004 Series E Bonds at this time, and in order to increase the feasibility of refunding, at a later date, any portion of the 2004 Series E Bonds not refunded at this time, the 2005 Series E Bonds, the 2006 Series E Bonds and the 2010 Series E Bonds, the Successor Agency has determined that it is necessary to amend the definition of the term "Qualified Reserve Account Credit Instrument" in each

Indenture, and this First Supplemental Indenture is entered into for the purpose of amending such definition in each Indenture;

**WHEREAS**, all conditions to the effectiveness of this First Supplemental Indenture set forth in the Indentures have been satisfied, including without limitation, delivery of all opinions of counsel and written consents of any Insurer (as defined in each Indenture) to the Trustee;

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

## **AGREEMENT**

**Section 1. Amendment.** The defined term "Qualified Reserve Account Credit Instrument" set forth in each Indenture is hereby amended to read as follows:

**"Qualified Reserve Account Credit Instrument"** means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee pursuant to Section 4.03(d), provided that all of the following requirements are met by the Agency at the time of delivery thereof to the Trustee: (a) S&P and Moody's have assigned a long-term credit rating to such bank or insurance company is "A" (without regard to modifier) or higher; (b) such letter of credit or surety bond has a term of at least twelve (12) months; (c) such letter of credit 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 pursuant to Section 4.03(d); (d) the Trustee is authorized pursuant to the terms of such letter of credit 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 Section 4.03; and (e) prior written notice is given to the Insurer before the effective date of any such Qualified Reserve Account Credit Instrument.

**Section 2. Effect of this First Supplement.** Except as otherwise amended hereby, each Indenture shall remain in full force and effect.

**Section 3. Execution in Counterparts.** This First Supplemental 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. The Successor Agency's execution of this First Supplemental Indenture shall be deemed to be a Request of the Agency to the Trustee to execute and deliver First Supplemental Indenture.

**Section 4. Governing Law.** This First Supplemental Indenture shall be construed and governed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE has caused this First Supplemental Indenture to be signed in its name by the [Chief Executive Officer] of the County of Riverside on behalf of the Successor Agency to the Redevelopment Agency for the County of Riverside and attested to by its Secretary, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., has caused this First Supplemental 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  
REDEVELOPMENT AGENCY FOR THE  
COUNTY OF RIVERSIDE

By: County of Riverside

By \_\_\_\_\_  
[Chief Executive Officer]

ATTEST:

\_\_\_\_\_  
Secretary of the Successor Agency to the  
Redevelopment Agency for the County of  
Riverside

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.,  
*as Trustee*

By \_\_\_\_\_  
Authorized Officer