

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

185



FROM: Executive Office

SUBMITTAL DATE:

April 10, 2014

SUBJECT: Refunding of the Tax-exempt Certificates of Participation 2003A Historic Courthouse Project & 2003B Capital Facilities Projects & the Taxable Refunding Certificates of Participation 2003 Bankruptcy Court Project. [\$240,000 total] (**Vote on Separately**)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Resolution #2014-096 authorizing the execution and delivery of a Master Site Lease, Master Lease Agreement, a Master Indenture of Trust, a First Supplemental Trust Indenture, an Assignment Agreement and a Bond Purchase Agreement in connection with the execution and delivery of Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A (tax-exempt) and Series 2014B (taxable), authorizing the preparation and distribution of a Preliminary Official Statement and authorizing certain other actions in connection therewith.

BACKGROUND:

Summary

In 2003 County of Riverside Asset Leasing Corporation ("CORAL") issued tax-exempt certificates to fund certain improvements to the County's Historic Courthouse (the 2003A Historic Courthouse Project) and prepay the County's 1993 obligations (the 2003B Capital Facilities Project) as well as taxable certificates for the Bankruptcy Court Project (the 2003 Taxable Bankruptcy Court Project).

(Continued)

Stephanie Persi
Senior Management Analyst

FROM APPROVED COUNTY COUNSEL
 DATE: 4/14/14
 BY: A. GARDNER
 Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 240,000	\$	\$ 240,000	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Bond Proceed \$240,000; Court lease payments-Debt service

Budget Adjustment: No
For Fiscal Year: 2013/2014

C.E.O. RECOMMENDATION:

APPROVE

BY:
Ivan M. Chand 4/14/2014

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: April 22, 2014
 xc: E.O.2 11:30

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

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

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

FORM 11: Refunding of the Tax-exempt Certificates of Participation 2003A Historic Courthouse Project & 2003B Capital Facilities Projects & the Taxable Refunding Certificates of Participation 2003 Bankruptcy Court Project. [\$240,000 total]

DATE: April 10, 2014

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

Current market conditions allow for a current refunding of the 2003 Series A and 2003 Series B certificates and an advance refunding of the 2003 Taxable Bankruptcy Courthouse Project certificates. The refundings will be accomplished through the issuance of CORAL Lease Revenue Refunding Bonds 2014 Series A in the aggregate principle amount of \$11,325,000 and CORAL Lease Revenue Refunding Bonds 2014 Series B (Taxable) in the aggregate principal amount of \$7,605,000. This can provide the County with approximately \$1.4 million in aggregate net present value savings or 7% of the aggregate refunded par amount. This exceeds the Board Policy B-24 requirement of at least a 3% savings threshold. In addition, this refunding will not extend the maturity date per the policy.

If approved staff recommends issuing approximately \$18,930,000 in fixed interest rate bonds. The estimated aggregate gross savings are approximately \$3.5 million through the life of the bonds based on current market conditions. The average annual debt service on the refunding bonds is anticipated to be approximately \$1.3 million. This equates to an average of \$177,000 savings per year in debt service costs.

This has been approved by CORAL and Debt Advisory Committee.

Impact on Citizens and Businesses

No direct impact

RESOLUTION NO. 2014-096

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AUTHORIZING AND APPROVING THE REFUNDING OF CERTAIN OF THE COUNTY'S CERTIFICATES OF PARTICIPATION; THE ISSUANCE AND SALE OF THE COUNTY OF RIVERSIDE ASSET LEASING CORPORATION LEASE REVENUE REFUNDING BONDS (COURT FACILITIES PROJECT); RELATED AGREEMENTS AND DOCUMENTS; AND AUTHORIZING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND OTHER MATTERS RELATED THERETO

WHEREAS, on May 7, 1997, the County of Riverside (the "County") and U.S. Trust Company of California, N.A. (the predecessor to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Historic Courthouse Trustee"), entered into a Trust Agreement, dated as of April 1, 1997 (the "Original Historic Courthouse Trust Agreement"), pursuant to which \$21,834,878.60 aggregate initial principal amount of Certificates of Participation (Historic Courthouse Project) (the "Series 1997 Historic Courthouse Certificates") were executed and delivered by the Historic Courthouse Trustee; and

WHEREAS, on December 4, 2003, the County and the Historic Courthouse Trustee entered into a First Supplemental Trust Agreement, dated as of December 1, 2003, pursuant to which \$13,190,000 aggregate principal amount of Certificates of Participation (Historic Courthouse Project) 2003 Series A (the "Series 2003 Historic Courthouse Certificates") were executed and delivered; and

WHEREAS, on April 28, 2005, the County and the Historic Courthouse Trustee entered into a Second Supplemental Trust Agreement, dated as of April 1, 2005, pursuant to which \$22,610,000 aggregate principal amount of Certificates of Participation (Historic Courthouse Refunding) 2005 Series B (the "Series 2005 Historic Courthouse Certificates") were executed and delivered; and;

WHEREAS, the proceeds of the Series 2005 Historic Courthouse Certificates were applied to prepay the outstanding Series 1997 Historic Courthouse Certificates in their entirety; and

WHEREAS, there is currently outstanding under the Historic Courthouse Trust Agreement \$10,900,000 aggregate principal amount of the Series 2003 Historic Courthouse Certificates and \$18,025,000 aggregate principal amount of the Series 2005 Historic Courthouse Certificates; and

WHEREAS, on December 4, 2003, the County and BNY Western Trust Company (the predecessor to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Capital Facilities Trustee"), entered into a Trust Agreement, dated as of December 1, 2003 (the "Capital Facilities Trust Agreement"), pursuant to which \$8,685,000 aggregate initial principal amount of

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner 4/18/14
DATE

Refunding Certificates of Participation (Capital Facilities Projects) (the "Capital Facilities Certificates") were executed and delivered by the Capital Facilities Trustee; and

WHEREAS, \$1,830,000 aggregate principal amount of the Capital Facilities Certificates are currently outstanding under the Capital Facilities Trust Agreement; and

WHEREAS, on April 30, 2003, the County, the County of Riverside Court Financing Corporation and BNY Western Trust Company (the predecessor to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Bankruptcy Courthouse Trustee") entered into a Trust Agreement, dated as of April 1, 2003 (the "Bankruptcy Court Trust Agreement"), pursuant to which \$16,120,000 aggregate principal amount of Taxable Refunding Certificates of Participation (Bankruptcy Court Project), Series 2003 (the "Bankruptcy Court Certificates"), were executed and delivered by the Bankruptcy Courthouse Trustee; and

WHEREAS, \$7,290,000 aggregate principal amount of the Bankruptcy Court Certificates are currently outstanding under the Bankruptcy Court Trust Agreement; and

WHEREAS, the County has now determined that it is in its best interest to authorize and approve the issuance and delivery by the Corporation of its Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A (the "Series 2014A Bonds") to prepay the Series 2003 Historic Courthouse Certificates and the Capital Facilities Certificates;

WHEREAS, the County has now determined that it is in its best interest to authorize and approve the issuance and delivery by the Corporation of its Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable) (the "Series 2014B Bonds", and together with the Series 2014A Bonds, the "Series 2014 Bonds") to prepay and the Bankruptcy Court Certificates; and

WHEREAS, in connection with the issuance and delivery of the Series 2014 Bonds, the County and the Corporation propose to enter into: (a) a Site Lease (as hereinafter defined) pursuant to which the County will agree to lease to the Corporation real property, buildings and improvements (collectively, the "Property"); and (b) a Lease Agreement (as hereinafter defined), pursuant to which the Corporation will agree to sublease the Property to the County in consideration for which the County will agree to make base rental payments ("Base Rental Payments") and additional rental payments; and

WHEREAS, the Corporation proposes to assign and transfer to Wells Fargo Bank, National Association, as trustee (the "Trustee"), pursuant to an Assignment Agreement (as hereinafter defined), all of its rights, title and interests (excluding its rights to indemnification and payment or reimbursement of its costs and expenses) in and to the Site Lease and the Lease Agreement, including the right to receive Base Rental Payments under the Lease Agreement; and

WHEREAS, the Corporation and the Trustee propose to enter into a Master Indenture of Trust, together with a First Supplemental Trust Indenture (together, the "Indenture"), each by and between the Corporation and the Trustee, and in substantially the forms on file with the Clerk of the Board to, among other things, fix and declare the terms and conditions upon which the Series 2014 Bonds are to be executed, delivered, issued, secured and accepted and to secure the payment thereof and the interest with respect thereto; and

WHEREAS, the County desires to participate in the issuance and delivery of the Series 2014 Bonds pursuant to and in accordance with the Indenture, and to approve all proper and necessary documents and transactions in connection therewith; and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Series 2014 Bonds, an underwriter must have reasonably determined that an obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series 2014 Bonds to provide disclosure of certain financial information and certain material events on an ongoing basis and, in order to cause such requirement to be satisfied, the County proposes to execute and deliver a Continuing Disclosure Agreement (the “Continuing Disclosure Certificate”) in connection with the issuance and delivery of the Series 2014 Bonds; and

WHEREAS, the County is authorized to undertake all of the above pursuant to the laws of the State of California;

NOW, THEREFORE, the Board of Supervisors of the County of Riverside does hereby resolve, determine and order as follows:

Section 1. The proposed form of Master Site and Facilities Lease (the “Site Lease”), by and between the County and the Corporation and in substantially the form on file with the Clerk of the Board, is hereby approved. The County Executive Officer, any Deputy County Executive Officer, the County Finance Director and any other authorized officers of the County acting on behalf of the County Executive Officer (each an “Authorized Representative” and, collectively, the “Authorized Representatives”) are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the County, to execute and deliver the Site Lease in substantially the form on file with the Clerk of the Board, with such changes therein as such Authorized Representative executing and delivering such document may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. The proposed form of Master Lease Agreement (the “Lease Agreement”), by and between the County and the Corporation and in substantially the form on file with the Clerk of the Board, is hereby approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the County, to execute and deliver the Lease Agreement substantially in the form on file with the Clerk of the Board, with such changes therein as the Authorized Representative executing and delivering such document may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of Continuing Disclosure Certificate, in substantially the form on file with the Clerk of the Board, is hereby approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the County, to execute and deliver the Continuing Disclosure Certificate in substantially the form on file with the Clerk of the Board and presented to and considered at this meeting, with such changes therein as the officer executing the same on behalf of the County

may approve, in his or her discretion, as being in the best interest of the County, such approval to be conclusively evidenced by such officer's execution and delivery thereof.

Section 4. The proposed form of Purchase Contract (the "Purchase Contract"), by and among the County, the Corporation and Raymond James & Associates, Inc. (the "Underwriter"), and in substantially the form on file with the Clerk of the Board, is hereby approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized and directed to negotiate the final terms and conditions of, and to execute and deliver to the Underwriter, the Purchase Contract, in substantially the form on file with the Clerk of the Board with such changes as the officer executing and delivering such document may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof. In connection with the negotiation, execution and delivery of the Purchase Contract, the Authorized Representatives are further authorized and directed to negotiate the price, interest rates, discount provisions, dates, maturity dates, principal amounts and prepayment provisions with respect to the Series 2014 Bonds, and are authorized to negotiate any and all other terms and agreements relating to the issuance and delivery of the Series 2014 Bonds, as an Authorized Representative shall determine to be in the best interests of the County, all to be conclusively evidenced by the execution and delivery of the Purchase Contract; provided, however, that the all-in yield with respect to the Series 2014A Bonds shall not exceed 6.00% per annum and the all-in yield with respect to the Series 2014B Bonds shall not exceed 6.00% per annum and provided further that the maximum aggregate underwriter's discount (excluding original issue discount, if any) from the principal amount of the Series 2014 Bonds shall not exceed .40% of the aggregate principal amount of the Series 2014 Bonds. All other terms and conditions shall be consistent with and shall carry out the intention of this Board's approval, as set forth herein.

All or any portion of the Series 2014 Bonds may be sold with such credit enhancement (such as, but not limited to, a letter of credit or policy of municipal bond insurance) as an Authorized Representative shall determine to be in the best interests of the County, such determination to be conclusively evidenced by the execution and delivery on behalf of the County of any documents required to be executed and delivered by or on behalf of the County relating to such credit enhancement. The Authorized Representatives are hereby further authorized to purchase a surety bond, letter or line of credit, or other form of guarantee to satisfy the Reserve Requirement, if any, established under the Indenture and to execute one or more financial guaranty agreements or other documents relating to such guarantee. The Authorized Representatives are, and each of them is, hereby authorized and directed to enter into negotiations with potential providers of such credit enhancements or guarantees and further authorized and directed to enter into such agreements on behalf of the County as may be necessary or advisable in connection with the foregoing arrangements.

Section 5. The proposed form of Escrow Agreement (the "Escrow Agreement"), by and between the County and The Bank of New York Mellon Trust Company, N.A., as escrow agent, relating to the defeasance of the Bankruptcy Court Certificates, and in substantially the form on file with the Clerk of the Board, is hereby approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the County, to execute and deliver the Escrow Agreement substantially in the form on file with the Clerk of the Board, with such changes therein as the Authorized Representative

executing and delivering such document may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The County hereby approves the issuance by the Corporation of the Series 2014 Bonds in an amount not to exceed \$20,000,000 and the sale of the Series 2014 Bonds pursuant to the Purchase Contract. The Authorized Representatives are, and each of them acting alone is, hereby authorized to determine the respective principal amounts of the Series 2014A Bonds and the Series 2014B Bonds to be sold pursuant to the Purchase Contract.

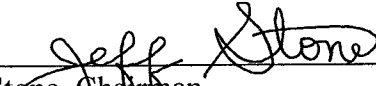
Section 7. The proposed form of preliminary official statement with respect to the Series 2014 Bonds (the "Preliminary Official Statement"), attached hereto as Exhibit A, is hereby approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the County, to execute and deliver the official statement with respect to the Series 2014 Bonds (the "Official Statement"), in substantially the form of the Preliminary Official Statement, attached hereto as Exhibit A, with such changes thereto as such Authorized Representative executing and delivering such document may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof. The distribution of copies of the Preliminary Official Statement and Official Statement to persons who may be interested in the purchase of Series 2014 Bonds is hereby authorized and approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized to certify to the Underwriter on behalf of the County that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain information as permitted by such Rule).

Section 8. The County hereby authorizes and approves the prepayment of the Series 2003 Historic Courthouse Certificates, the Capital Facilities Certificates and the Bankruptcy Court Certificates. The prepayment and financing is in the County's best interests and will result in lower aggregate base rental payments.

Section 9. All actions heretofore taken by any officer of the County with respect to the issuance, delivery and sale of the Series 2014 Bonds, the prepayment of the Series 2003 Historic Courthouse Certificates, the Capital Facilities Certificates and the Bankruptcy Court Certificates, or in connection with or related to any of the agreements referred to herein, to the leasing or subleasing of the Property or to the financing of the Project are hereby approved, confirmed and ratified.

Section 10. The County Clerk shall certify to the passage of this Resolution, shall transmit a copy hereof to the Corporation, and shall cause the action of the Board of Supervisors in adopting the same to be entered in the official minutes of this Board of Supervisors.

PASSED and ADOPTED by the Board of Supervisors of the County of Riverside on the 22nd day of April, 2014.

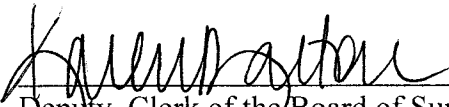


Jeff Stone, Chairman
of the Board of Supervisors

[SEAL]

ATTEST:

Kecia Harper-Ihem, Clerk of the Board



Deputy, Clerk of the Board of Supervisors

CERTIFICATE OF CLERK

I, Kecia Harper-Ihem, Clerk of the Board of Supervisors of the County of Riverside, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Supervisors of the County of Riverside duly and regularly held at the regular meeting place thereof on April 22, 2014, of which meeting all of the members of said Board had due notice.

AYES: Supervisors Jeffries, Tavaglione, Stone, Benoit and Ashley

NAYS: Supervisors None

ABSENT: Supervisors None

I do hereby further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

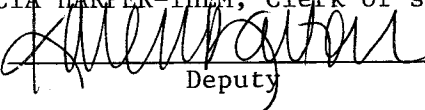
I do hereby further certify that an agenda for said meeting was posted at least 72 hours before said meeting at 4080 Lemon Street, Riverside, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

WITNESS my hand and the seal of the County of Riverside this 22nd day of April, 2014.


Deputy Clerk of the Board of Supervisors

[SEAL]

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA HARPER-IHEM, Clerk of said Board
By 
Deputy

MASTER LEASE AGREEMENT

by and between

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION,

as the lessor

and the

COUNTY OF RIVERSIDE,

as the lessee

Dated as of May 1, 2014

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MASTER LEASE AGREEMENT

This Master Lease Agreement, dated as of May 1, 2014, by and between **County of Riverside Asset Leasing Corporation** (the "Corporation"), a California nonprofit public benefit corporation, as lessor, and the **County of Riverside** (the "County"), a body corporate and politic and a political subdivision of the State of California, as lessee. (Capitalized terms used in the Whereas clauses and not defined herein shall have the meanings provided in Section 1.01 hereof.)

WITNESSETH:

WHEREAS, the County caused the execution and delivery of \$13,190,000 aggregate principal amount of Certificates of Participation (Historic Courthouse Project) 2003 Series A, evidencing and representing the undivided and proportionate interests in lease payments for certain property pursuant to a Facilities Lease, dated as of April 1, 1997, as amended by a First Amendment to Facilities Lease, dated as of December 1, 2003, and a Second Amendment to Facilities Lease, dated as of April 1, 2005, with the Corporation, of which \$10,900,000 remains outstanding (the "Historic Courthouse Certificates"); and

WHEREAS, the proceeds of the Historic Courthouse Certificates were used to (i) finance the construction and installation of certain improvements to the County's Historic Courthouse located at 4050 Main Street, Riverside, California 92501, (ii) fund a reserve fund for the Historic Courthouse Certificates, and (iii) pay costs of issuance in connection with the execution and delivery of the Historic Courthouse Certificates (the "Historic Courthouse Project"); and

WHEREAS, the County caused the execution and delivery of \$8,685,000 aggregate principal amount of Refunding Certificates of Participation (Capital Facilities Projects), 2003 Series B, evidencing and representing the undivided and proportionate interests in lease payments for certain property pursuant to a Lease Agreement, dated as of December 1, 2003, as amended by a First Amendment to Lease Agreement, dated as of March 1, 2010, with the Corporation, of which \$1,830,000 remains outstanding (the "Capital Facilities Certificates"); and

WHEREAS, the proceeds of the Capital Facilities Certificates were used to (i) refinance the County's obligations pursuant to a Sublease and Option to Purchase, dated as of November 1, 1993, between the Corporation and the County, (ii) fund a reserve fund for the Capital Facilities Certificates, and (iii) pay costs of issuance in connection with the execution and delivery of the Capital Facilities Certificates (the "Capital Facilities Project"); and

WHEREAS, the County caused the execution and delivery of \$16,120,000 aggregate principal amount of Taxable Certificates of Participation (Bankruptcy Court Project), Series 2003 evidencing and representing the undivided and proportionate interests in lease payments for certain property pursuant to a Sublease Agreement, dated as of April 1, 2003, with the County of Riverside Court Financing Corporation, of which \$7,290,000 remains outstanding (the "Bankruptcy Court Certificates" and, together with the Historic Courthouse Certificates and the Capital Facilities Certificates, the "Original Certificates"); and

WHEREAS, the proceeds of the Bankruptcy Court Certificates were used to (i) refinance the County's obligations pursuant to a Facilities Lease, dated as of acquisition of the United States Bankruptcy Courthouse located at 3420 12th Street, Riverside, California 92501 (ii) fund a reserve fund for the Bankruptcy Court Certificates, and (iii) pay costs of issuance in connection with the execution and delivery of the Bankruptcy Court Certificates (the "Bankruptcy Court Project" and, together with the Historic Courthouse Project and the Capital Facilities Project, the "Original Projects"); and

WHEREAS, the County has determined that it is in the public interest and there is a significant public benefit to the inhabitants of the County as there are demonstrable savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs that the County refinance the Original Projects and refund the outstanding Original Certificates (together, the "Project"), through the delivery of this Master Lease; and

WHEREAS, the Corporation intends to assist the County in refinancing the Original Projects by issuing the County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A in an aggregate principal amount of _____ dollars (\$ _____), and the County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable) in an aggregate principal amount of _____ dollars (\$ _____) (collectively, the "Series 2014 Bonds"), pursuant to a Master Trust Indenture, dated as of May 1, 2014, as supplemented by Supplemental Indentures including a First Supplemental Trust Indenture (collectively, the "Indenture"), all by and between the Corporation and Wells Fargo Bank, National Association (the "Trustee"), as trustee; and

WHEREAS, to provide for and accomplish the Project, the Corporation proposes to lease from the County certain land owned by the County and more particularly described in the attached Exhibit A which is incorporated herein by this reference, and the buildings and related improvements (the "Property") located thereon, pursuant to a Master Site Lease (the "Master Site Lease") dated as of the date hereof, and sublease the Property to the County pursuant to this Master Lease; and

WHEREAS, the County is authorized under applicable State law to lease the Property to the Corporation pursuant to the Master Site Lease, and to lease-back the Property pursuant to this Master Lease and to consummate the Project; and has determined that the Project and the lease of the Property is a necessary and proper public purpose; and

WHEREAS, under this Master Lease, the County will be obligated to make Base Rental Payments to the Corporation for the lease of the Property and such other facilities as may from time to time be leased hereunder; and

WHEREAS, all acts, conditions and things required by law to exist, to have occurred and to have been performed precedent to and in connection with the execution and entering into of this Master Lease do exist, have occurred and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Master Lease;

NOW, THEREFORE, in consideration of the above premises and of the mutual agreements and covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Master Lease, have the meanings herein specified, which meanings shall be equally applicable to both the singular and plural forms of any of the terms herein defined. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Indenture.

“Addition” means the addition of Property to the leasehold hereof, and the lease of additional real property and improvements hereunder from the Corporation to the County, as provided in Section 4.07 hereof.

“Additional Bonds” means all lease revenue bonds or lease revenue refunding bonds of any Series authorized by and at any time Outstanding pursuant to the Indenture, as supplemented by Supplemental Indentures, thereto and executed, issued and delivered in accordance with Article III of the Indenture, excluding the Initial Bonds.

“Additional Payments” means the amounts payable by the County pursuant to Section 3.07 of this Master Lease.

“Assignment Agreement” means the Assignment Agreement, dated as of May 1, 2014, by and between the Corporation and the Trustee, whereby the Corporation assigns to the Trustee for the benefit of the Owners the Corporation’s rights under the Master Site Lease and this Master Lease, including the right to receive Base Rental Payments.

“Base Rental Payment Date” means the first day of May and November in each year during the Term of this Master Lease, commencing November 1, 2014.

“Base Rental Payments” means all amounts payable to the Corporation from the County as Base Rental Payments pursuant to Section 3.04 of this Master Lease.

“Base Rental Payment Schedule” means the schedule of Base Rental Payments payable to the Corporation from the County pursuant to Section 3.04 of this Master Lease.

“Base Rental Period” means each 12-month period during the Term of this Master Lease commencing on May 1 in any year and ending on April 30 in the next succeeding year; except that the first Base Rental Period during the term of this Master Lease shall commence on the Closing Date and end on May 1, 2015.

“Bonds” means the Series 2014 Bonds and all Additional Bonds.

“Closing Date” means May __, 2014.

“Code” means the Internal Revenue Code of 1986, as amended and the United States Treasury Regulations applicable with respect thereto.

“Corporate Trust Office of the Trustee” means the principal corporate trust office of the Trustee located at Wells Fargo Bank, National Association, _____, Attention: Corporate Trust Department or such other or additional offices as may be specified to the Corporation by the Trustee in writing.

“Corporation” means the County of Riverside Asset Leasing Corporation, a California nonprofit public benefit corporation, and its successors.

“County” means the County of Riverside, a political subdivision and body corporate and politic of the State.

“Expiry Date” means [November 1, 2033], except as extended or sooner terminated pursuant to Sections 3.02 or Section 5.03 hereof, or such other date or dates as set forth in an amendment to this Master Lease.

“Indenture” means the agreement, as supplemented by Supplemental Indentures, entitled “Master Trust Indenture” and dated as of May 1, 2014, by and between the Trustee and the Corporation, together with any duly authorized and executed amendments and supplements thereto.

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court of the State in which such attorney maintains an office and who is not an employee of the Corporation, the Trustee or the County.

“Insurance Proceeds and Condemnation Awards Fund” means the fund by that name established and held by the Trustee pursuant to Section 6.07 of the Indenture.

“Master Lease Agreement” or “Master Lease” means this Master Lease Agreement together with any duly authorized and executed amendments hereto.

“Master Lease Payments” shall mean the Base Rental Payments and the Additional Payments.

“Master Site Lease” means the Master Site Lease, dated as of May 1, 2014, by and between the County, as lessor, and the Corporation, as lessee, including any amendments thereto, pursuant to which the County leases the Property to the Corporation.

“Net Proceeds” means any insurance proceeds (including self-insurance proceeds) or condemnation award, paid with respect to any of the Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

“Official Statement” means the Official Statement dated May __, 2014, relating to the Series 2014 Bonds.

“Original Certificates” has the meaning set forth in the recitals.

“Original Projects” has the meaning set forth in the recitals.

“Permitted Encumbrances” means, as of any particular time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the County may, pursuant to provisions of Section 4.01 and Section 4.06 hereof, permit to remain unpaid; (b) the Master Site Lease; (c) this Master Lease (including any amendment thereto); (d) the pledge under the Indenture; (e) any encumbrance, indebtedness and leases permitted under Section 4.06 hereof; (f) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law or any mechanics or other liens permitted under Section 4.02 hereof; (g) easements, rights of way, licenses, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Closing Date (or, in the case of any property added in connection with the issuance of Additional Bonds or any Substituted Property, which exist of record as of the date any such property is added to the description of Property) and which the County certifies in writing will not materially impair the County’s right to use and occupy the Property or its ability to meet the requirement under Section 3.04(c) herein; (h) restrictions arising under the terms of a redevelopment plan of any California redevelopment agency; (i) easements, rights of way and licenses granted to persons who develop or use the real property adjacent to the Property which the County certifies in writing will not damage, reduce the fair market value of or materially impair the use of the Property; (j) right grants by the County pursuant to Section 4.06 hereof; and (k) the U.S. Government Lease for Real Property No. GS-09B-93834, dated December 21, 1994, as amended and supplemented, between the County and the United States of America, acting by and through the General Services Administration.

“Property” means that certain real property together with improvements located thereon that are owned by the County, which is the subject of the Master Site Lease comprising those parcels described in Exhibit A, as the same may be changed from time to time by Removal, Addition or Substitution as provided in Section 4.07 hereof; subject, however, to Permitted Encumbrances.

“Removal” means the release of all or a portion of the Property from the leasehold hereof and of the Master Site Lease as provided in Section 4.07.

“State” means the State of California.

“Substituted Property” shall have the meaning as set forth in Section 4.07 herein.

“Substitution” means the release of all or a portion of the Property from the leasehold hereof and of the Master Site Lease, and the lease of substituted real property and improvements hereunder and under the Master Site Lease as provided in Section 4.07.

“Supplemental Indenture” means any indenture then in full force and effect which has been duly executed and delivered by the Corporation and the Trustee amendatory to the Indenture or supplemental thereto; but only if and to the extent that such Supplemental Indenture is specifically authorized thereunder.

“*Tax Certificate*” means the Tax Compliance Certificate executed by the County and the Corporation at the time of the issuance and delivery of Bonds, the interest on which is intended to be excluded from gross income of the Owners thereof for federal income tax purposes, as the same may be amended or supplemented in accordance with its terms.

“*Term of the Master Lease*” or “*Term*” means the time during which this Master Lease is in effect, as provided for in Section 3.02 hereof.

“*Trustee*” means Wells Fargo Bank, National Association, a national banking association organized and existing under the laws of the United States, or any other association or authority which may at any time be substituted in its place pursuant to the Indenture.

Section 1.02. Exhibits. The following Exhibits are attached to, and by reference made a part of, this Master Lease:

EXHIBIT A: Description of the Property.

EXHIBIT B: Base Rental Payments Schedule.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.01. Representations, Covenants and Warranties of the County. The County represents and warrants to the Corporation as follows:

(a) *Existence.* The County is validly existing as a political subdivision of the State, duly organized and created and validly existing under the Constitution of the State, with full right and power to execute, deliver and perform its obligations hereunder and under any related documents to which it is a party.

(b) *Authorization.* The execution, delivery and performance by the County of this Master Lease and the Master Site Lease and any related documents to which it is a party are within the County’s powers, have been duly authorized by all necessary action, require no action by or in respect of, or filing with, any governmental body, agency or official applicable to the County and do not violate or contravene, or constitute a default under, any provision of applicable law, charter, ordinance or regulation or of any material agreement, judgment, injunction, order, decree or material instrument binding upon the County or result in the creation or imposition of any lien or encumbrance on any asset of the County (other than pursuant to such enumerated documents).

(c) *Binding Effect.* Assuming due authorization, execution and delivery by each of the other parties hereto and thereto, this Master Lease and the Master Site Lease and any related documents to which the County is a party, each constitutes the legal, valid and binding obligation of the County enforceable against the County in accordance with its respective terms, subject, as to enforceability, to applicable bankruptcy, moratorium, insolvency or similar laws affecting the rights of creditors generally and to

general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) *No Default.* The County is not, in any material respect, in violation of any applicable law or administrative regulation of the State or of the United States of America, relating, in each case, to the issuance of debt securities by it, or any applicable judgment, decree, loan agreement, note, resolution, ordinance or other material agreement to which it is a party or is otherwise subject. Late delivery of financial statements or other reporting documentation shall not be deemed material for purposes of this subsection.

(e) *Litigation.* There is no action, suit or proceeding against, or to the knowledge of the County threatened against or affecting, the County before any court or arbitrator or any governmental body, agency or official in which there is a reasonable possibility of an adverse decision which could materially adversely affect the financial condition of the County or which in any manner draws into question the validity or enforceability of this Master Lease and the Master Site Lease or any related documents to which the County is a party.

(f) *Legislation.* No legislation has been enacted which would materially adversely affect or prohibit (i) the execution and delivery of this Master Lease and the Master Site Lease or any related documents to which the County is a party, or (ii) the performance by the County of its obligations under this Master Lease or any related documents to which the County is a party.

(g) *No Violations.* Neither the execution and delivery of this Master Lease and the Master Site Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is now a party or by which the County is bound or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the Property or assets of the County, or upon the Property, except Permitted Encumbrances.

Section 2.02. Representations, Covenants and Warranties of the Corporation. The Corporation represents, covenants and warrants to the County as follows:

(a) *Due Organization and Existence.* The Corporation is a nonprofit public benefit corporation organized, existing and operating pursuant to the Constitution and laws of the State and has full legal power to enter into this Master Lease, the Master Site Lease, the Assignment Agreement and the Indenture, to enter into the transactions contemplated hereby and to carry out its obligations under this Master Lease, the Master Site Lease, the Assignment Agreement and the Indenture, and the Corporation, by proper actions of its board of directors, has duly authorized the execution and delivery of this Master Lease, the Master Site Lease, the Assignment Agreement and the Indenture.

(b) *Binding Effect.* Assuming due authorization, execution and delivery by each of the other parties hereto and thereto, this Master Lease, the Master Site Lease, the Assignment Agreement and the Indenture, and any related documents to which the Corporation is a party, each constitutes the legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its respective terms, subject, as to enforceability, to applicable bankruptcy, moratorium, insolvency or similar laws affecting the rights of creditors generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) *No Default.* The Corporation is not, in any material respect, in violation of any applicable law or administrative regulation of the State or of the United States of America, relating, in each case, to the issuance of debt securities by it, or any applicable judgment, decree, loan agreement, note, resolution, ordinance or other material agreement to which it is a party or is otherwise subject.

(d) *No Litigation.* There is no action, suit or proceeding against, or to the knowledge of the Corporation threatened against or affecting, the Corporation before any court or arbitrator or any governmental body, agency or official in which there is a reasonable possibility of an adverse decision which could materially adversely affect the financial condition of the Corporation or which in any manner draws into question the validity or enforceability of this Master Lease or any related document to which the Corporation is a party.

(e) *No Encumbrances.* The Corporation will not pledge the Base Rental Payments or other amounts derived from the Property and from its other rights under this Master Lease, and will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, other than the respective rights of the Corporation, the Trustee and the County as provided herein and in the Indenture, the Assignment Agreement and Permitted Encumbrances. Except as expressly provided in this Master Lease, the Corporation shall promptly take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time.

(f) *No Violations.* Neither the execution and delivery of this Master Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the Property or assets of the Corporation, or upon the Property, except Permitted Encumbrances.

ARTICLE III

AGREEMENT TO MASTER LEASE; TERMINATION OF THIS MASTER LEASE; MASTER LEASE PAYMENTS

Section 3.01. Master Lease of the Property; Title to the Property.

(a) The Corporation hereby subleases the Property to the County, and the County hereby subleases the Property from the Corporation, on the terms and conditions hereinafter set forth. The County hereby agrees and covenants during the Term of this Master Lease that, except as hereinafter expressly provided, it will use the Property solely for public and municipal purposes so as to afford the public the benefit contemplated by this Master Lease and so as to permit the Corporation to carry out its agreements and covenants contained in the Indenture and further agrees that it will not abandon or vacate the Property.

(b) During the Term of this Master Lease, the Corporation shall hold leasehold title to the Property and any and all additions which comprise fixtures, repairs, replacements or modifications thereof, except for any items added to the Property by the County pursuant to Section 4.02 hereof.

The County and the Corporation expressly acknowledge that certain lease agreement between the County and the United States of America, acting by and through the General Services Administration (the "GSA"), No. GS-09B-93834, dated December 21, 1994, as amended (the "GSA Lease Agreement"), pursuant to which the GSA has leased the Property. [The leasehold interest granted pursuant to the GSA Lease Agreement is subordinate to the leasehold interest granted pursuant to this Master Lease.] The County shall at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Master Lease, notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the County from its obligation to pay Base Rental and Additional Rental as provided in this Master Lease or to relieve the County from any other obligations contained herein.

(c) If both the Trustee's and the County's estate under this or any other lease relating to the Property or any portion thereof shall at any time for any reason become vested in one owner, this Master Lease and the estate created hereby shall not be destroyed or terminated by the doctrine of merger unless the County and the Trustee so elect as evidenced by recording a written declaration so stating; and unless and until the County and the Trustee so elect, the Corporation shall continue to have and hold a leasehold estate in the Property pursuant to the Master Site Lease throughout the Term thereof and the term of this Master Lease, and this Master Lease shall be deemed and constitute a sublease of the Property. The County hereby covenants not to permit or consent to any such merger as long as any Bonds are Outstanding.

Section 3.02. Term of Agreement. The term of this Master Lease shall commence on the Closing Date and shall end on the Expiry Date, unless such Expiry Date is otherwise terminated or extended as hereinafter provided. If on the Expiry Date, the Indenture shall not be discharged by its terms, or if the Base Rental Payments payable under this Master Lease shall have been abated at any time and for any reason, then the Term of this Master Lease shall be extended until the Indenture shall be discharged by its terms (but not later than 10 years after the then existing Expiry Date). If prior to the Expiry Date, the Indenture shall be discharged by its terms, the Terms of this Master Lease shall thereupon end.

Section 3.03. Possession. The County agrees to accept possession and use of the Property as the owner of the leasehold interest thereof on the Closing Date, and shall pay the first Base Rental Payment with respect to the Property following the commencement of use and occupancy of the same by the County.

Section 3.04. Master Lease Payments, Base Rental Payments.

(a) *Base Rental Payments.* Subject to the provisions of Articles V and X hereof, the County agrees to pay to the Corporation, its successors and assigns, as rental for the use and occupancy of the Property during each Base Rental Period, the Base Rental Payments for all of the Property in the respective amounts as set forth in the Base Rental Payment Schedule attached hereto as Exhibit B, to be due and payable on the respective Base Rental Payment Dates specified in Exhibit B, plus the Additional Payments required under Section 3.07 hereof; and provided, further, no Base Rental Payment need be made to the extent any Capitalized Interest is used pursuant to the Indenture or Supplemental Indenture, as supplemented to make such Base Rental Payment. Any amount held in an Interest Account or a Principal Account of the Bond Fund on any Base Rental Payment Date (other than amounts resulting from the prepayment of the Base Rental Payments in part but not in whole pursuant to Article X hereof and other amounts required for payment of past due principal of or interest on any Bonds not presented for payment or otherwise) shall be credited towards the Base Rental Payment next due and payable; and no Base Rental Payment need be made on any Base Rental Payment Date if the amounts then held in an Interest Account and a Principal Account of the Bond Fund and available for such purpose are at least equal to the Base Rental Payment then required to be paid. The Master Lease Payments for the Property payable in any Base Rental Period shall be for the use of such Property for such Base Rental Period. Notwithstanding any dispute between the Corporation and the County, the County shall make all Base Rental Payments when due, without deduction or offset, and shall not withhold any Base Rental Payment pending final resolution of the dispute.

The County's obligation to make Base Rental Payments shall not be contingent on the GSA's performance under the GSA Lease Agreement.

(b) *Rate on Overdue Payments.* If the County should fail to make any of the Base Rental Payments required in this Section 3.04, the payment in default shall continue as an obligation of the County until the amount in default shall have been fully paid. The County hereby agrees to pay the same with interest thereon, to the extent permitted by

law, from the date of default to the date of payment at the rate equal to the applicable Bond Yield (or, if less, the maximum rate permitted by law).

(c) *Fair Rental Value.* The Master Lease Payments for the Property for each Base Rental Period shall constitute the total rental for such Property for such Base Rental Period or portion thereof, and shall be paid by the County in each Base Rental Period for and in consideration of the right of the use of, and the continued quiet use and enjoyment of the Property during such Base Rental Period. The parties hereto have agreed and determined that the total Master Lease Payments for the Property for any Base Rental Period is not greater than the total fair rental value of the Property for such Base Rental Period. In making such determination, consideration has been given to the appraised or market value of the Property, the cost of improvements made or to be made to the Property, the replacement costs of existing improvements on the Property, third party or County appraisals, and other obligations of the parties under this Master Lease, the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the County and the general public.

The parties hereby acknowledge that the parties may amend this Master Lease from time to time to increase the Base Rental Payments payable hereunder so that Additional Bonds may be executed and delivered pursuant to Section 3.08 hereto and Sections 3.01 and 3.02 of the Indenture. Notwithstanding anything to the contrary herein contained, this Master Lease may not be amended in a manner such that the sum of the Base Rental Payments (including Base Rental Payments payable pursuant to such amendment) and Additional Payments with respect to Outstanding Bonds and Additional Bonds, in any Base Rental Period is in excess of the annual fair rental value of the Property and other land and improvements leased to the County hereunder for such Base Rental Period, after giving effect to the application of proceeds of any Additional Bonds executed and delivered in connection therewith.

(d) *Budget and Appropriation.* The County covenants to take such action as may be necessary to include all Master Lease Payments due hereunder in its annual budgets and to make the necessary annual appropriations for all such Master Lease Payments. In so providing for the payment of Master Lease Payments in its annual budgets, the County may take into account moneys on deposit in the various funds and accounts under the Indenture that are properly available to make Master Lease Payments. In addition, to the extent permitted by law, the County covenants to take such action as may be necessary to amend or supplement the budget appropriations for payments under this Master Lease at any time and from time to time during any fiscal year in the event that the actual Master Lease Payments paid in any fiscal year exceeds the pro rata portion of the appropriations then contained in the County's budget. The covenants on the part of the County herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such official to enable the County to carry out and perform the covenants and agreements in this Master Lease agreed to be carried out and performed by the County. The obligations of the County to make Base Rental Payments or Additional Payments do not constitute obligations for which the County is obligated to levy or

pledge any form of taxation or for which the County has levied or pledged any form of taxation. Neither the Bonds nor the obligation of the County to make Base Rental Payments or Additional Payments constitutes an indebtedness of the County, the State or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

(e) *Assignment.* The County understands and agrees that this Master Lease and the right to receive all Base Rental Payments have been assigned by the Corporation to the Trustee in trust for the benefit of the Owners of the Bonds pursuant to the Assignment Agreement and the Indenture, and the County hereby consents to such assignment. The Corporation hereby directs the County, and the County hereby agrees to pay to the Trustee at the Corporate Trust Office of the Trustee, all payments payable by the County pursuant to this Section 3.04 and all amounts payable by the County pursuant to Article X.

(f) *Application of Master Lease Payments.* All Master Lease Payments received shall be applied: first to the Base Rental Payments due hereunder (including any prepayment premium components); and thereafter to all Additional Payments due hereunder, but no such application of any payments which are less than the total Master Lease Payments due and owing shall be deemed a waiver of any default hereunder.

Section 3.05. Quiet Enjoyment. During the Term of this Master Lease, the Corporation shall provide the County with quiet use and enjoyment of the Property, and the County shall during such Term peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Master Lease. The Corporation will, at the request of the County and at the County's cost, join in any legal action in which the County asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation shall have the right to inspect the Property as provided in Section 7.02.

Section 3.06. Leasehold Interest. During the Term of this Master Lease, the Corporation shall hold a leasehold interest in the Property. If the County prepays the Master Lease Payments for all of the Property in full pursuant to Article X, or pays all Master Lease Payments for all of the Property during the Term of this Master Lease as the same become due and payable, all right, title and interest of the Corporation in the Property, respectively, shall be transferred to and vested in the County and the Master Site Lease and this Master Lease shall terminate with respect to such Property.

Section 3.07. Additional Payments. In addition to the Base Rental Payments, the County shall pay as Additional Payments: (a) all taxes, fees or assessments levied upon the Property or upon any interest therein of the Corporation or the Trustee; (b) insurance premiums, if any, on insurance required under this Master Lease; (c) all fees and expenses of the Trustee, and expenses of the County required to comply with this Master Lease and the Indenture; (d) any other fee, costs, or expenses incurred by the Corporation in connection with the execution, performance or enforcement of this Master Lease or the Indenture, including any amounts necessary to indemnify and defend the Corporation; and (e) any amounts required to be paid to the United States government pursuant to Section 148 of the Internal Revenue Code.

Additional Payments due under this Section shall be paid by the County directly to the person or persons to whom such amounts shall be payable. The County shall pay all such amounts when due or within 30 days after notice in writing from the Trustee to the County stating the amount of Additional Payments then due and payable and the purpose therefor.

Section 3.08. Additional Bonds. In addition to the Series 2014 Bonds to be executed and delivered under the Indenture, the Corporation may, from time to time at the request of the County, but only upon satisfaction of the conditions to the execution and delivery of an additional Series of Bonds set forth in Sections 3.01 and 3.02 of the Indenture, enter into a Supplemental Indenture to authorize such additional Series of Bonds the proceeds of which may be used as provided in Section 3.01 of the Indenture and as provided in the Supplemental Indenture; provided that prior to or concurrently with the execution and delivery of such Bonds, the County and the Corporation shall have entered into an amendment to this Master Lease providing for an increase in the Base Rental Payments to be made hereunder to pay Annual Debt Service on such additional Series of Bonds, subject to the limitations set forth in Section 3.04(c) hereof.

ARTICLE IV

MAINTENANCE; TAXES; AND OTHER MATTERS

Section 4.01. Maintenance; Utilities, Taxes and Assessments. During the Term of this Master Lease, as part of the consideration for the rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the County. In exchange for the Master Lease Payments herein provided, the Corporation agrees to sublease the Property to the County. The County shall, at its own expense, during the Term of this Master Lease maintain the Property, or cause the same to be maintained, in good order, condition and repair and shall replace any portion of the Property which is destroyed; provided that the County shall not be required to repair or replace any such portion of the Property pursuant to this Section 4.01 if there shall be applied to the prepayment of Base Rental Payments insurance proceeds or other legally available funds sufficient to prepay (a) all of the Bonds Outstanding, or (b) any portion thereof relating to the Property or such portion thereof and the Base Rental Payments allocable to the remaining portion of the Property equals the pro rata portion of Base Rental Payments allocable to the Bonds Outstanding after such prepayment. The County shall provide or cause to be provided all security service, custodial service, janitorial service and other services necessary for the proper upkeep and maintenance of the Property. It is understood and agreed that in consideration of the payment by the County of the rental herein provided for, the County is entitled to occupy and use the Property, and no other party shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Property during the Term of this Master Lease. The Corporation shall not be required at any time to make any improvements, alterations, changes, additions, repairs or replacements of any nature whatsoever in or to the Property. The County hereby expressly waives the right to make repairs or to perform maintenance of the Property at the expense of the Corporation and (to the extent permitted by law) waives the benefit of Sections 1932, 1941 and 1942 of the Civil Code of the State relating thereto. The County shall keep the Property free and clear of all liens, charges and encumbrances, subject only to the provisions of Section 4.06 hereof. The County shall pay for the furnishing of all utilities which may be used in or upon the Property during the

Term of this Master Lease. Such payment shall be made by the County directly to the respective utility companies furnishing such utility services or products, under such contract or contracts therefor as the County may make.

The County shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the County affecting the Property or the respective interests therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are required to be paid during the Term of this Master Lease as and when the same become due.

The County may, at the County's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation shall notify the County that, in the opinion of Independent Counsel, by nonpayment of any such items, the interest of the Corporation in the Property will be materially endangered or the Property or any part thereof will be subject to loss or forfeiture, in which event the County shall promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation and the Trustee.

Section 4.02. Modification of Property. The County shall, at its own expense, have the right to make additions, modifications and improvements to the Property. All such additions, modifications and improvements, including those which comprise fixtures, repairs, replacements, additions or modifications to the Property shall thereafter comprise part of the Property and be subject to the provisions of this Master Lease. The County shall have the right to conduct a survey of any parcel of land constituting any Property and to alter or change the boundaries of said parcel as a result of said survey so long as such change or alteration does not interfere with the improvements constructed on said parcel and so long as the remaining parcel together with the improvements thereon does not have a fair rental value less than the Base Rental Payments attributable to said Property. Additions, modifications and improvements shall not cause the Property to be used for purposes other than those authorized under the provisions of State and federal law; and such Property, upon completion of any additions, modifications and improvements made thereto pursuant to this Section, shall have a fair rental value which is approximately equal to or greater than the fair rental value of the Property immediately prior to the making of such additions, modifications and improvements. The County will not permit any mechanic's or other lien to be established or remain against any of the Property for labor or materials furnished in connection with any repair or replacements made by the County pursuant to this Section; provided that if any such lien is established and the County shall first notify the Corporation (or cause the Corporation to be notified) of the County's intention to do so, the County may in good faith contest any lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the County.

Section 4.03. Reserved.

Section 4.04. Advances. If the County shall fail to perform any of its obligations under this Article, the Corporation may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and the County shall be obligated to repay all such advances as Additional Payments as soon as possible, with interest at the rate equal to the maximum rate permitted by law from the date of the advance to the date of repayment.

Section 4.05. Installation of County's Personal Property. The County may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Property. All such items shall remain the sole property of the County, in which neither the Corporation nor the Trustee shall have any interest, and such items may be modified or removed by the County. Nothing in this Master Lease shall prevent the County from purchasing or leasing items to be installed pursuant to this Section under a Master Lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof; provided that no such lien or security interest shall attach to any part of the Property.

Section 4.06. Liens. The County and the Corporation will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon the Property, except Permitted Encumbrances, and except those incident to the execution and delivery of Additional Bonds and the Initial Bonds as contemplated by Article III of the Indenture. The County and the Corporation will not sell or otherwise dispose of the Property or any property essential to the proper operation of the Property, except as otherwise provided herein.

Notwithstanding anything to the contrary herein contained, the County may assign, transfer or sublease any and all of the Property or its other rights hereunder; provided that (a) the rights of any assignee, transferee or sublessee shall be subordinate to all rights of the Corporation hereunder; (b) no such assignment, transfer or sublease shall relieve the County of any of its obligations hereunder; (c) the assignment, transfer or sublease shall not result in a breach of any covenant of the County contained in any other section hereof; (d) any such assignment, transfer or sublease shall by its terms expressly provide that the fair rental value of the Property for all purposes shall be first allocated to this Master Lease, as the same may be amended from time to time before or after any such assignment, transfer or sublease; and (e) no such assignment, transfer or sublease shall confer upon the parties thereto any remedy which allows reentry upon the Property unless concurrently with granting such remedy the same shall be also granted hereunder by an amendment to this Master Lease which shall in all instances be prior to and superior to any such assignment, transfer or sublease. Except as expressly provided in this Article, the County shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The County shall reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 4.07. Substitution, Removal or Addition of Property.

(a) The County may amend this Master Lease and the Master Site Lease to (i) substitute other real property and/or improvements (the "Substituted Property") for all or any portion of the existing Property; (ii) remove all or a portion of real property (including undivided interests therein) and/or improvements ("Removal") from the definition of Property; or (iii) add real property and/or improvements ("Added Property") to the Property, upon compliance with all of the conditions set forth in paragraph (b) below. After a Substitution or Removal, the part of the Property for which the Substitution or Removal has been effected shall be released from the leasehold hereunder and under the Master Site Lease.

(b) No Substitution, Addition or Removal shall take place hereunder and under the Master Site Lease until the County delivers to the Corporation and the Trustee the following:

(i) executed counterparts (in proper recordable form) of amendments to the Master Site Lease and this Master Lease, containing: (A) in the event of a Removal, a legal description of all or part of the Property to be released; (B) in the event of a Substitution, a legal description of the Substituted Property to be substituted in its place; and (C) in the case of an Addition, a legal description of the Added Property;

(ii) a Certificate of the County (A) stating that the total fair rental value (which may be based on, but not limited to, the construction costs of completed improvements, or acquisition cost or replacement cost of such Substitution or Addition to the County) of the property that will constitute the Property after such Addition, Substitution or Removal, for the remaining Term of this Master Lease, is at least equal to 100% of the maximum amount of Base Rental Payments becoming due in the then current Base Rental Period or in any subsequent Base Rental Period during the Term of this Master Lease; provided, however, at the sole discretion of the County, in the alternative, in the event of a Substitution only, the Certificate of the County may evidence that the annual fair rental value of the new property is at least equal to that of the Substituted Property; (B) stating that the useful life of the Property after Substitution or Removal equals or exceeds the remaining term of this Master Lease, and (C) in the case of any Addition or Substitution, stating that such Added Property or Substituted Property, as applicable, is essential to the performance of the governmental functions of the County;

(iii) an Opinion of Bond Counsel to the effect that (A) the amendments hereto and to the Master Site Lease contemplating Substitution, Addition or Removal have been duly authorized, executed and delivered and this Master Lease and the Master Site Lease as so amended constitute the valid and binding obligations of the County and the Corporation enforceable in accordance with their terms; and (B) the Substitution, Addition or Removal is authorized or permitted under this Master Lease;

(iv) with respect to an Addition or Substitution of property, a leasehold owner's title insurance policy or policies or a commitment for such policy or policies or an amendment or endorsement to an existing title insurance policy or policies, resulting in title insurance with respect to the Property after such Addition or Substitution in an amount at least equal to the aggregate principal amount of Bonds Outstanding; each such insurance instrument, when issued, shall name the Corporation and Trustee as the insured, and shall insure the leasehold estate of the Corporation and the Trustee, as assignee of the Corporation, in such real property subject only to Permitted Encumbrances;

(v) in the event of a Substitution or Addition, a Certificate of the County to the effect that the exceptions, if any, contained in the title insurance policy referred to in (iv) above (A) constitute Permitted Encumbrances and (B) do not substantially interfere with the use and occupancy of the Substituted Property or Added Property described in such policy by the County for the purposes of leasing or using the Substituted Property or Added Property;

(vi) an Opinion of Bond Counsel that the Substitution, Addition and/or Removal does not cause the interest on any Bonds issued on a tax-exempt basis to be includable in gross income of the Owners thereof for federal income tax purposes; and

(vii) evidence that the County has complied with the covenants contained in Article VI hereof with respect to the Substituted Property or Added Property.

Section 4.08. Hazardous Waste. The County shall not cause or permit the Property or any part thereof to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials (as defined below), except in compliance with all applicable federal, state and local laws or regulations, nor shall the County cause or permit, as a result of any intentional or unintentional act or omission on the part of the County or any tenant or subtenant, a release of Hazardous Materials onto the Property. The County shall comply with and ensure compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, whenever and by whomever triggered, and shall obtain and comply with, and ensure that all tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The County shall (a) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials, on, from, or affecting the Property: (i) in accordance with all applicable federal, state and local laws, ordinances, rules, regulations, and policies; (ii) to the satisfaction of the Trustee; and (iii) in accordance with the orders and directives of all Federal, state and local governmental authorities, and (b) defend, indemnify, and hold harmless the Trustee from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials which are on, from, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury (including wrongful death) or property damage (real or

personal) arising out of or related to such Hazardous Materials; and/or (iii) any violation of laws, orders, regulations, requirements or demands of government authorities, or any policies or requirements of the mortgage trustee, which are based upon or in any way related to such Hazardous Materials including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. In the event that the Trustee elects to control, operate, sell or otherwise claim property rights in the Property, the County shall deliver the Property free of any and all Hazardous Materials so that the conditions of the Property shall conform with all applicable federal, state and local laws, ordinances, rules or regulations affecting the Property. Prior to any such delivery of the Property, the County shall pay the Trustee, from its own funds, any amounts then required to be paid under clause (b) above. For purposes of this paragraph, "Hazardous Materials" includes, without limit, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 9601 et seq.), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, State or local environmental law, ordinance, rule, or regulation.

Section 4.09. Continuing Disclosure. The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate in accordance with its terms. Notwithstanding any other provision of this Master Lease, failure of the County to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder. However, the Trustee, upon payment of its fees and expenses, including counsel fees, and receipt of indemnity satisfactory to it, at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, or any Owner or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Section 4.09.

ARTICLE V

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

Section 5.01. Damage; Eminent Domain. The County covenants that if the Property is damaged in a manner which substantially interferes with its use, such Property will be promptly repaired or replaced at the County's expense, unless (a) such damage would not result in the abatement of any portion of the Master Lease Payments; or (b) the County elects to apply the proceeds of insurance and any other legally available funds to the redemption of Bonds pursuant to Sections 6.07 and 2.03(b) of the Indenture such that the remaining Base Rental Payments for the undamaged Property will not be reduced pursuant to Section 5.03 hereof. If all of the Property shall be taken permanently under the power of condemnation or eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Master Lease shall cease as of the day possession shall be so taken. If less than all of the Property shall be taken permanently, or if all of the Property or any part thereof shall be taken temporarily,

under the power of eminent domain, (i) this Master Lease shall continue in force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (ii) there shall be a partial abatement of Master Lease Payments as a result of the application of the Net Proceeds of any condemnation or eminent domain award to the prepayment of the Master Lease Payments hereunder, in an amount to be agreed upon by the County and the Corporation such that the resulting Master Lease Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

Section 5.02. Application of Net Proceeds.

(a) *From Insurance Award.* The Net Proceeds of any insurance award resulting from any damage to or destruction of any of the Property by fire or other casualty shall be deposited in the Insurance Proceeds and Condemnation Awards Fund by the Trustee promptly upon receipt thereof and applied as set forth in Section 6.07 of the Indenture.

(b) *From Eminent Domain Award.* The Net Proceeds of any condemnation or eminent domain award resulting from any event described in Section 5.01 hereof shall be deposited in the Insurance Proceeds and Condemnation Awards Fund and applied as set forth in Section 6.07 of the Indenture.

Section 5.03. Abatement of Rent. Except to the extent of (a) amounts held by the Trustee in the Bond Fund or in a Reserve Fund, if any; (b) amounts received in respect of rental interruption insurance; and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Bonds, during any period in which, by reason of material damage, destruction, title defect, or condemnation, there is substantial interference with the use and possession by the County of any portion of the Property, Master Lease Payments due hereunder with respect to the Property shall be abated to the extent that the total fair rental value of the portion of the Property in respect of which there is no substantial interference is less than the remaining scheduled Base Rental Payments and Additional Payments, in which case Master Lease Payments shall be abated only by an amount equal to the difference. Such abatement shall continue for the period commencing with the date of such damage, destruction, title defect or condemnation and end with the restoration of the Property or portion thereof to tenantable condition or correction of title defect or substantial completion of the work of repair or replacement of the portions of the Property so damaged, destroyed, defective or condemned. For purposes of determining the annual fair rental value available to pay Base Rental Payments and Additional Payments, annual fair rental value of the Property shall first be allocated to this Master Lease as provided in Section 3.04(f) hereof.

Any abatement of Master Lease Payments pursuant to this Section shall not be considered an Event of Default as defined in Article IX hereof, but shall result in the extension of the Expiry Date by a period equal to the period of abatement for which Base Rental Payments have not been paid in full (but in no event later than 10 years after the then existing Expiry Date), and Base Rental Payments for such extension period shall be equal to the unpaid Base Rental Payments during the period of abatement but without interest thereon. The County waives the benefits of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate this Master Lease by virtue of any such interference and this Master Lease shall continue in full force and

effect. Such abatement shall continue for the period commencing with the date of such damage, destruction, title defect or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Property so damaged, destroyed, defective or condemned.

In the event that Master Lease Payments are abated, in whole or in part, pursuant to this Section due to damage, destruction, title defect or condemnation of any part of the Property and the County is unable to repair, replace or rebuild the Property from the proceeds of insurance, if any, the County agrees to apply for and to use its best efforts to obtain any appropriate State and/or federal disaster relief in order to obtain funds to repair, replace or rebuild the Property.

The County hereby acknowledges and agrees that during any period of abatement with respect to all or any part of the Property, the Trustee on behalf of the County shall use the proceeds of use and occupancy insurance and moneys on deposit in the Reserve Fund, if any, to make payments of principal and interest on the Bonds.

The County has the option, but not the obligation, to deliver Substituted Property for all or a portion of the Property pursuant to Section 4.07 hereof during any period of abatement.

ARTICLE VI

INSURANCE

Section 6.01. Fire and Extended Coverage Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Master Lease, a policy or policies of property insurance against loss or damage to the Property known as "all risk," including earthquake (as scheduled) and flood. Such insurance shall be maintained with respect to the Property at any time in an amount not less than the aggregate principal amount of Bonds at such time Outstanding with respect to the Property. Such insurance may at any time include deductible clauses, on a per loss basis in any one year, not to exceed (i) \$50,000, in the case of all risk insurance; (ii) in the case of flood insurance, 2% of the value per structure with respect to locations situated within a 100-year flood plain (as defined by FEMA), subject to a minimum of \$100,000 and a maximum of \$500,000 per occurrence; and (iii) 5% of total value per structure per occurrence subject to a \$100,000 minimum for earthquake insurance. However, in the case of all risk and flood insurance, if insurance under this clause is not available from reputable insurers at a reasonable cost, the County may self-insure to the extent necessary to enable it to repair or replace the Property in accordance with the provisions of Section 4.01 hereof; provided further, in the case of earthquake insurance, the County need not self-insure against earthquake damage if earthquake insurance is not available from reputable insurers at a reasonable cost.

Section 6.02. Liability Insurance. Except as hereinafter provided, the County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Master Lease, commercial general liability coverage against claims for damages including death, personal injury, bodily injury, or property damage arising from operations involving the Property. Such insurance shall afford protection with a combined single limit of not less than \$1,000,000 per occurrence with respect to bodily injury, death or property damage liability, or

such greater amount as may from time to time be recommended by the County's risk management officer or an independent insurance consultant retained by the County for that purpose; provided, however, that the County's obligations under this Section 6.02 may be satisfied by self-insurance.

Section 6.03. Rental Interruption or Use and Occupancy Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Master Lease, rental interruption insurance from a provider rated at least "A" by A.M. Best & Company to cover loss, total or partial, of the use of the Property as a result of any of the hazards covered by the insurance required pursuant to clause (a) above in an amount sufficient at all times to pay the total rent payable under this Master Lease with respect to the Property for a period adequate to cover the period of repair or reconstruction; provided, however, that the amount payable under such policy shall not be less than the amount equal to two years' maximum Base Rental Payments; and provided further that the County's obligations under this Section 6.03 shall not be satisfied by self-insurance.

Section 6.04. Workers' Compensation. The County shall also maintain workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure its employees against liability for compensation under the Workers' Compensation Insurance and Safety Act now in force in California, or any act hereafter enacted as an amendment or supplement thereto. As an alternative, such insurance may be maintained as part of or in conjunction with any other insurance carried by the County. Such insurance may be maintained by the County in the form of self-insurance.

Section 6.05. Title Insurance. The County shall obtain, for the benefit of the Corporation and the Trustee, upon the execution and delivery of this Master Lease, a CLTA title insurance policy on the Property in an amount equal to the aggregate principal amount of the Bonds, issued by a company of recognized standing duly authorized to issue the same, subject only to Permitted Encumbrances.

Section 6.06. Boiler and Machinery Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Master Lease, boiler and machinery coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus now or hereafter installed on the Leased Premises in an amount not less than \$2,000,000 per accident.

Section 6.07. Insurance Proceeds; Form of Policies. All policies or certificates of insurance issued by the respective insurers or insurance with the exception of workers' compensation insurance, shall provide that such policies or certificates shall not be canceled or materially changed without at least 30 days' prior written notice to the Trustee. A certificate executed by an Authorized Representative of the County certifying that such policies required or self-insurance permitted by this Section 6.07 have been obtained and that the requirements of this Section 6.07 have been fulfilled shall be deposited with the Trustee by the County before December 31 of each calendar year. To the extent to which the County self-insures, the County's risk manager, or an independent insurance consultant, shall certify to the Trustee before December 31 of each calendar year, the sufficiency of such self-insurance. Certificates of commercial general liability and workers' compensation insurance shall be furnished by

applicable insurers, unless the County chooses to self-insure against such liability (in which case the County shall provide the Trustee evidence of such self-insurance), and, at least 10 days prior to the expiration dates of such policies, if any, evidence of renewals or self-insurance shall be deposited with the Trustee.

All policies or certificates of insurance provided for herein shall name the County as a named insured, and the Corporation and its directors and the Trustee as additional insureds. All insurance policy claims payments received under Sections 6.01, 6.03, 6.05 and 6.06 above, shall be deposited with the Trustee for application pursuant to the Indenture. All proceeds of insurance, other than self-insurance, maintained under clauses 6.02 and 6.04 shall be deposited with the County.

Notwithstanding the foregoing, but subject to the proviso in Section 6.01 the County shall not be required to maintain or cause to be maintained more insurance than is specifically referred to above.

ARTICLE VII

DISCLAIMER OF WARRANTIES; ACCESS

Section 7.01. Disclaimer of Warranties. The Corporation and its assigns make no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the County of the Property, or any other representation or warranty with respect to the Property. In no event shall the Corporation or its assigns be liable for incidental, indirect, special or consequential damages in connection with existence, furnishing, functioning or the County's use of the Property.

Section 7.02. Access to the Property. The County agrees that the Corporation and any Authorized Representative of the Corporation, and the Corporation's successors or assigns, shall have the right at all reasonable times to inspect the Property. The County further agrees that the Corporation, any Authorized Representative of the Corporation, and the Corporation's successors or assigns shall have such rights of access to the Property as may be reasonably necessary to cause the proper maintenance of the Property in the event of failure by the County to perform its obligations hereunder; provided, however, that the Corporation's assigns shall have no obligation to cause such proper maintenance.

Section 7.03. Release and Indemnification Covenants. The County shall and hereby agrees to indemnify and save the Corporation and the Trustee, and their respective officers, agents, successors and assigns harmless from and against all claims, liabilities, losses and damages, including legal fees and expenses, arising out of: (a) the use, maintenance, condition or management of, or from any work or thing done on the Property by the County including, without limitation, as a result of the use, presence, storage, disposal or release of any hazardous waste on or about the Property; (b) any breach or default on the part of the County in the performance of any of its obligations under this Master Lease; (c) any act of negligence of the County or of any of its agents, contractors, servants, employees or licensees with respect to the Property; or (d) the construction and acquisition of the Property or the authorization of payment

of the construction costs by the Corporation. No indemnification is made under this Section or elsewhere in this Master Lease for willful misconduct, negligence, or breach of duty under this Master Lease by the Corporation, its officers, agents, employees, successors or assigns.

ARTICLE VIII

ASSIGNMENT AND AMENDMENT

Section 8.01. Assignment by the Corporation. The Corporation's rights under this Master Lease, including the right to receive and enforce payment of the Master Lease Payments to be made by the County under this Master Lease have been pledged and assigned to the Trustee pursuant to the Assignment Agreement and the Indenture, to which pledge and assignment the County hereby consents.

Section 8.02. Amendment. This Master Lease and the Master Site Lease may be amended in writing as may be mutually agreed by the Corporation and the County, subject to the written approval of the Trustee; provided, that no such amendment which materially adversely affects the rights of the Owners shall be effective unless it shall have been consented to by the Owners of more than 50% in principal amount of the Bonds and Additional Bonds Outstanding; and provided further, that no such amendment shall (a) extend the payment date of any Base Rental Payment, or reduce the interest, principal or prepayment premium component of any Base Rental Payment, without the prior written consent of the Owner of each Bond and Additional Bond so affected; or (b) reduce the percentage of the principal amount of the Bonds and Additional Bonds Outstanding the consent of the Owners of which is required for the execution of any amendment hereof.

Notwithstanding the foregoing, this Master Lease and the Master Site Lease may be amended without the consent of the Owners of the Bonds for any of the following purposes:

(a) to add to the agreements, conditions, covenants and terms contained herein required to be observed or performed by the County or the Corporation, other agreements, conditions, covenants and terms hereafter to be observed or performed by the County or the Corporation, or to surrender any right reserved herein to or conferred herein on the County or the Corporation, and which in either case shall not materially adversely affect the interests of the Owners;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the County or the Corporation may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the interests of the Owners;

(c) to modify the legal description of the Property to add or delete the description of Property, or to provide for any Substitution, Addition and/or Removal;

(d) to make any modifications or changes to this Master Lease or the Master Site Lease including any increase or decrease in Base Rental Payments resulting therefrom in order to enable the execution and delivery of any Series of Additional Bonds

(unless otherwise provided in any Supplemental Indenture) in accordance with Article III of the Indenture and to make any modifications or changes necessary or appropriate in connection with the execution and delivery of any Series of Additional Bonds, and which shall not materially adversely affect the interests of the Owners;

(e) to make any modifications or amendments related to any Substitution, Addition and/or Removal under Section 4.07 of this Master Lease; or

(f) to make any other modification or change to the provisions of this Master Lease or the Master Site Lease which does not materially adversely affect the interests of the Owners of the Bonds.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.01. Events of Default. The following shall be “events of default” under this Master Lease and the terms “events of default” and “default” shall mean, whenever they are used in this Master Lease, with respect to the Property, any one or more of the following events:

(a) failure by the County to pay any Base Rental Payment or other payment required to be paid hereunder at the time specified herein, and the continuation of such failure for a period of 10 days; provided, that failure to deposit any Base Rental Payments abated pursuant to Section 5.03 shall not constitute an event of default; or

(b) failure by the County to observe and perform any covenant, condition or agreement in this Master Lease or the Indenture on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of 60 days after written notice specifying such failure and requesting that it be remedied has been given to the County by the Corporation or the Trustee; provided, however, if the failure stated in the notice can be corrected, but not within the applicable period, the Corporation and the Trustee shall not unreasonably withhold their consent to an extension of such time if the Trustee receives a certificate from an Authorized Representative of the County to the effect that corrective action is being instituted by the County within the applicable period and is being diligently pursued to correct the default; or

(c) the filing by the County of a voluntary petition in bankruptcy, or failure by the County promptly to lift any execution, garnishment or attachment, or adjudication of the County as a bankrupt, or assignment by the County for the benefit of creditors, or the entry by the County into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the County in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

Section 9.02. Remedies on Default. Upon the happening of any Event of Default, the Trustee, as assignee of the rights of the Corporation pursuant to the Assignment Agreement, may exercise those remedies granted to it pursuant to law or hereunder, subject to the terms of this

Master Lease. The Trustee, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

(a) to terminate this Master Lease in the manner hereinafter provided on account of default by the County, notwithstanding any retaking of possession or re-letting of the Property as hereinafter provided for in clause (b), and to retake possession of the Property. In the event of such termination, the County agrees to surrender immediately possession of the Property, without let or hindrance, and to pay the Trustee all damages recoverable at law that the Trustee may incur by reason of default by the County, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such retaking possession of the Property. Neither notice to pay rent nor to deliver up possession of the Property given pursuant to law nor any proceeding in unlawful detainer, or otherwise, brought by the Trustee for the purpose of obtaining possession of the Property nor the appointment of a receiver upon initiative of the Trustee to protect the Trustee's interest under this Master Lease shall of itself operate to terminate this Master Lease, and no termination of this Master Lease on account of default by the County shall be or become effective by operation of law or acts of the parties hereto, unless and until the Trustee shall have given written notice to the County of the election on the part of the Trustee to terminate this Master Lease; or

(b) without terminating this Master Lease, (i) to collect each installment of Base Rental Payments as it becomes due and enforce any other term or provision hereof to be kept or performed by the County, and/or (ii) to exercise any and all rights to retake possession of the Property. In the event the Trustee does not elect to terminate this Master Lease in the manner provided for in clause (b) hereof, the County shall remain liable and agrees to keep or perform all covenants and conditions herein contained to be kept or performed by the County and to pay the Base Rental Payments to the end of the term of this Master Lease or, in the event that the Property is re-let, to pay any deficiency in Base Rental Payments that results therefrom; and further agrees to pay said Base Rental Payments and/or any deficiency punctually at the same time and in the same manner as hereinabove provided for the payment of Base Rental Payments hereunder (without acceleration), notwithstanding the fact that the Trustee may have received in previous years or may receive thereafter in subsequent years Base Rental Payments in excess of the Base Rental Payments herein specified and notwithstanding any retaking of possession of the Property by the Trustee or suit in unlawful detainer, or otherwise, brought by the Trustee for the purpose of obtaining possession of the Property. Should the Trustee elect to retake possession of the Property as herein provided, the County hereby irrevocably appoints the Trustee as the agent and attorney-in-fact of the County to re-let the Property, or any items thereof, from time to time, either in the Trustee's name or otherwise, upon such terms and conditions and for such use and period as the Trustee may deem advisable and the County hereby indemnifies and agrees to save harmless the Trustee from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any retaking of possession of and re-letting of the Property by the Trustee or its duly authorized agents in accordance with the provisions herein contained. The County agrees that the terms of this Master Lease constitute full and sufficient notice of the right of the Trustee to re-let the Property in the event of such reentry without effecting a surrender of this Master Lease, and further agrees that no acts of the Trustee in

effecting such re-letting shall constitute a surrender of termination of this Master Lease irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that on the contrary, in the event of such default by the County, the right to terminate this Master Lease shall vest in the Trustee to be effected in the sole and exclusive manner provided for in clause (a). The County further waives the right to Base Rental Payments obtained by the Trustee in excess of the Base Rental Payments herein specified and hereby conveys and releases such excess to the Trustee as compensation to the Trustee for its services in re-letting the Property or any items thereof.

The County hereby waives any and all claims for damages caused or which may be caused by the Trustee in taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the County, or any other person, that may be on or about the Property. Notwithstanding anything to the contrary contained in this Master Lease, the Trustee shall not re-enter or re-let the Property upon an Event of Default unless the Trustee or its sublessee agrees to perform the County's obligations under any then existing sublease, license, management contract, or other agreement substantially relating to the Property, unless the other party to such sublease, license, management contract, or other agreement is in default thereunder.

The Corporation expressly waives the right to receive any amount from the County pursuant to Section 1951.2(a)(3) of the California Civil Code.

Section 9.03. Agreement to Pay Attorneys' Fees and Expenses. If either party to this Master Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

Section 9.04. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Master Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.05. Application of Proceeds. All Net Proceeds received from the disposition of the Property under this Article IX, and all other amounts derived by the Corporation or the Trustee as a result of an event of default hereunder, shall be transferred to the Trustee promptly upon receipt thereof and shall be deposited with the Trustee to be applied in accordance with Article IX of the Indenture.

Section 9.06. Trustee and Bond Owners to Exercise Rights. The Corporation has assigned certain rights and remedies under this Article IX to the Trustee pursuant to the Assignment Agreement and Article IV of the Indenture, to which assignment the County hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners of the Bonds as provided in the Indenture.

ARTICLE X

PREPAYMENT OF MASTER LEASE PAYMENTS

Section 10.01. Discharge of County. Upon the payment of all Base Rental Payments and Additional Payments payable hereunder, all of the obligations of the County hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied; provided, however, if any Outstanding Bonds and Additional Bonds shall be deemed to have been paid by virtue of a deposit of Base Rental Payments hereunder pursuant to Section 10.01 of the Indenture, then the obligation of the County hereunder to make Base Rental Payments hereunder shall continue in full force and effect until the Outstanding Bonds and Additional Bonds so deemed paid have in fact been paid, but such payments shall be made solely and exclusively from moneys and securities deposited with the Trustee as contemplated by Section 10.01 of the Indenture, and that shall be the sole source of satisfaction of the County's obligation to make Base Rental Payments. The time period for giving notice by the County to the Corporation and the Trustee specified in the second paragraph of Section 10.02 hereof shall not apply to the payment to the Owners of all Outstanding Bonds and Additional Bonds in accordance with Section 10.01 of the Indenture.

Section 10.02. Prepayment of Base Rental Payments. If the Corporation is permitted to redeem Bonds pursuant to Sections 2.03(a) and (b) of the Indenture, the County may prepay (together with any premium), from any source of available moneys, all or any part (in an integral multiple of an Authorized Denomination) of the principal components of Base Rental Payments payable under this Master Lease then unpaid.

Before making any prepayment pursuant to this Section, at least 45 days before the prepayment date the County shall give written notice to the Corporation and the Trustee describing such event, specifying the order of principal payments dates and specifying the date on which the prepayment will be made, which date shall be not less than 30 nor more than 60 days from the date such written notice is given to the Corporation and the Trustee. In the event of prepayment in full, by depositing cash in an amount, which, together with amounts then on deposit in the Reserve Fund(s), the Insurance Proceeds and Condemnation Awards Fund and the Bond Fund, will be sufficient to pay the aggregate unpaid Base Rental Payments on said due date as set forth in Exhibit B hereto, together with any Base Rental Payments then due but unpaid, or, in the event of prepayment in part, by depositing cash equal to the amount desired to be prepaid (the principal component of which shall be an amount divisible by \$5,000) together with any Base Rental Payments then due but unpaid. In the event of prepayment in part, the partial prepayment shall be applied against Base Rental Payments in such manner as the County shall determine and if the County shall fail to make such determination, starting with the next succeeding payment dates. Base Rental Payments due after any such partial prepayment shall be in the amounts set forth in a revised Base Rental Payment Schedule which shall be provided by, or caused to be provided by, the County to the Trustee and which shall represent an adjustment to the schedule set forth in Exhibit B attached hereto taking into account said partial prepayment.

Section 10.03. Mandatory Prepayment from Net Proceeds of Insurance or Eminent Domain Award. The County shall be obligated to prepay the Master Lease Payment allocable to any portion of the Property, in whole or in part, on any Base Rental Payment Date, from and

to the extent of any Net Proceeds of an insurance award or a condemnation or eminent domain award with respect to such portion of the Property theretofore deposited with the Trustee for such purpose pursuant to Article V hereof and Section 6.07 of the Indenture. Net Proceeds of an insurance award or condemnation or eminent domain award shall be applied in the manner permitted under Section 10.02. The County and the Corporation hereby agree that such Net Proceeds, to the extent remaining after payment of any delinquent Master Lease Payments and not used to repair or replace the damaged or taken Property, shall be credited towards the County's obligations under this Section 10.03.

Section 10.04. Credit for Amounts on Deposit. In the event of prepayment of the principal components of the Master Lease Payments in full for all of the Property under this Article X, such that the Indenture shall be discharged by its terms as a result of such prepayment, all amounts then on deposit in the Bond Fund (including a Reserve Fund, if any) and the Insurance Proceeds and Condemnation Awards Fund shall be credited towards the amounts then required to be so prepaid.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received upon actual receipt, by first class mail, personal delivery or overnight courier:

- to the County: County of Riverside
County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, California 92501
Attention: County Executive Officer
- to the Corporation: County of Riverside Asset Leasing Corporation
County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, California 92501
Attention: Assistant Secretary
- to the Trustee: Wells Fargo Bank, National Association

Attention: Corporate Trust Department

The Corporation, the County and the Trustee by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 11.02. Binding Effect. This Master Lease shall inure to the benefit of and shall be binding upon the Corporation and the County and their respective successors and assigns.

Section 11.03. Validity. If any one or more of the terms, provisions, promises, covenants or conditions of this Sublease shall to any extent be adjudged invalid, unenforceable,

void or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions, promises, covenants and conditions of this Sublease shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law. If for any reason this Master Lease shall be held by a court of competent jurisdiction void, voidable, or unenforceable by the Corporation or by the County, or if for any reason it is held by such a court that any of the covenants and agreements of the County hereunder, including the covenant to pay Base Rental Payments and Additional Payments hereunder, is unenforceable for the full Lease Term, then and in such event for and in consideration of the right of the County to possess, occupy and use the Property, which right in such event is hereby granted, this Master Lease shall thereupon become and shall be deemed to be a lease from year to year under which the annual Base Rental Payments and Additional Payments herein specified will be paid by the County.

Section 11.04. Net-Net-Net Lease. This Master Lease shall be deemed and construed to be a “net-net-net” Lease and the County hereby agrees that the Master Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or setoffs whatsoever. The County’s obligation to make Master Lease Payments in the amount and on the terms and conditions specified in this Master Lease shall be absolute and unconditional without any right of setoff or counterclaim.

Section 11.05. Further Assurances and Corrective Instruments. The Corporation and the County agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Master Lease. In addition, the County shall, on an ongoing basis, execute and deliver all documents and make or cause to be made all filings and recordings necessary or desirable in order to perfect, preserve and protect the interest of the Trustee in the Property to the extent possible under applicable law.

Section 11.06. Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Master Lease, is not a Business Day, such payment, with no interest accruing for the period from and after such nominal date, may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided therefore in this Master Lease.

Section 11.07. Governing Law. This Master Lease shall be construed and governed in accordance with the laws of the State.

Section 11.08. Execution in Counterparts. This Master Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Master Lease.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Master Lease as of the date first above written.

COUNTY OF RIVERSIDE, as Lessee

By _____
Jeff Stone, Chairman of the Board

ATTEST:

By _____
Kecia Harper-Ihem, Clerk

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION, as Lessor

By _____
Harold Trubo, President

ATTEST:

By _____
Ivan Chand, Assistant Secretary

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property leased by the Master Lease to which this certificate is attached and made a part thereof, which Master Lease is dated May 1, 2014, to the County of Riverside from the County of Riverside Asset Leasing Corporation is hereby accepted on behalf of said County of Riverside pursuant to authority conferred by Resolution adopted on _____, 2014, and said County of Riverside hereby consents to the recordation thereof by its duly authorized officer.

COUNTY OF RIVERSIDE

By _____
Jeff Stone, Chairman
of the Board of Supervisors

Dated as of May __, 2014

EXHIBIT A

LEGAL DESCRIPTION

All that certain real property situated in the County of Riverside, State of California, described as follows:

EXHIBIT B
BASE RENTAL PAYMENT SCHEDULE

FIRST SUPPLEMENTAL TRUST INDENTURE

by and between

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

relating to

\$ _____
County of Riverside Asset Leasing Corporation
Lease Revenue Refunding Bonds
(Court Facilities Project), Series 2014A

\$ _____
County of Riverside Asset Leasing Corporation
Lease Revenue Refunding Bonds
(Court Facilities Project), Series 2014B (Taxable)

Dated as of May 1, 2014

FIRST SUPPLEMENTAL TRUST INDENTURE

This First Supplemental Trust Indenture (this “First Supplemental Indenture”), dated as of May 1, 2014, is made by and between the **County Of Riverside Asset Leasing Corporation**, a California nonprofit public benefit corporation (the “Corporation”), and **Wells Fargo Bank, National Association**, a national banking association organized and existing under the laws of the United States of America, being qualified to accept and administer the trusts hereby created, as trustee (the “Trustee”) and supplements that certain Master Trust Indenture, dated as of May 1, 2014, by and between the Corporation and the Trustee (the “Master Trust Indenture”).

WHEREAS, the Master Trust Indenture provides, in Section 3.1 thereof, for the issuance of Bonds and, in Section 3.2 thereof, for the execution and delivery of Supplemental Indentures setting forth the terms of such Bonds; and

WHEREAS, the Corporation is empowered pursuant to its Articles of Incorporation to finance the Refunding Project (as hereinafter defined) through the issuance of its Series 2014 Bonds; and

WHEREAS, the Corporation now, for the purpose of providing money for the Refunding Project, by execution and delivery of this First Supplemental Indenture and in compliance with the provisions of the Master Trust Indenture, sets forth the terms of its \$_____ County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A, and \$_____ County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable) (collectively, the “Series 2014 Bonds”), provides for the deposit and use of proceeds of the Series 2014 Bonds and makes other provisions relating to the Series 2014 Bonds.

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following definitions shall apply to terms used in this First Supplemental Indenture unless the context clearly requires otherwise. Capitalized terms not otherwise defined in this Section 1.01 or elsewhere in this First Supplemental Indenture shall have the same meanings as set forth in the Master Trust Indenture or the Master Lease.

“*Authorized Denominations*” means \$5,000 principal amount and integral multiples thereof.

“*Bankruptcy Courthouse Certificates*” means the County of Riverside Certificates of Participation (Bankruptcy Courthouse Acquisition Project) originally executed and delivered in the aggregate principal amount of \$18,000,000 and outstanding in the aggregate principal amount of \$7,290,000.

“*Book-Entry Bonds*” means the Series 2014 Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 2.05 hereof.

“Capital Facilities Certificates” means the County of Riverside Refunding Certificates of Participation (Capital Facilities Projects), 2005 Series B originally executed and delivered in the aggregate principal amount of \$8,685,000 and outstanding in the aggregate principal amount of \$1,830,000.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2014 Bonds.

“Closing Date” means May __, 2014.

“Costs of Issuance” means all costs and expenses incurred by the County or the Corporation relating to the issuance, sale and delivery of the Series 2014 Bonds and the execution and delivery of the Indenture, the Master Site Lease, the Master Lease, Assignment Agreement including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee (including legal fees), financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, including verification reports, costs of rating agencies for credit ratings, fees related to DTC, accounting fees, title insurance, fees for execution, transportation and safekeeping of the Bonds and any other charges and fees in connection or associated with the foregoing.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“Excess GSA Payments Account” means the Account of that name established within the Bond Fund pursuant to Section 4.01 hereof.

“First Supplemental Indenture” means this First Supplemental Trust Indenture, dated as of May 1, 2014, as amended, by and between the Corporation and the Trustee.

“GSA” means the United States of America, acting by and through the General Services Administration.

“GSA Lease Agreement” means that certain lease agreement between the County and the United States of America, acting by and through the General Services Administration (the “GSA”), No. GS-09B-93834, dated December 21, 1994, as amended.

“GSA Payments” means all moneys due or to become due to the County under the GSA Lease Agreement.

“GSA Payments Account” means the account of that name established within the Certificate Fund pursuant to Section 3.04 hereof.

“Historic Courthouse Certificates” means the County of Riverside Certificates of Participation (Historic Courthouse Project) 2003 Series A originally executed and delivered in the aggregate principal amount of \$13,190,000 and outstanding in the aggregate principal amount of \$10,900,000.

“Interest Payment Dates” means May 1 and November 1 of each year, commencing on November 1, 2014.

“Lease Year” means the period from each November 1 to and including the following October 31, during the term of the Master Lease.

“Master Trust Indenture” means the Master Trust Indenture, dated as of May 1, 2014, by and between the Corporation and the Trustee, as amended and supplemented.

“Participant” means the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

“Permitted Investments” means with respect to this First Supplemental Indenture, those investments designated as Permitted Investments under the Master Trust Indenture.

“Principal Payment Dates” means November 1, of each year, commencing on November 1, 2014.

“Property” means the Property (as defined in the Master Lease) leased by the County from the Corporation under the Master Lease.

“Record Date” means the fifteenth day of the month immediately preceding an Interest Payment Date, whether or not such day is a Business Day.

“Refunded Certificates” means the Historic Courthouse Certificates, the Capital Facilities Certificates and the Bankruptcy Courthouse Certificates.

“Refunding Project” means the current refunding of the Refunded Certificates.

“Representations Letter” means the Blanket Issuer Letter of Representations Representation Letter, delivered to DTC by the Trustee on or before the date of issuance of the Series 2014 Bonds.

“Series 2014 Bonds” means the Series 2014A Bonds and the Series 2014B Bonds.

“Series 2014A Bonds” means the County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A.

“Series 2014B Bonds” means the County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable).

“Series 2014A Costs of Issuance Fund” means the fund of such designation established pursuant to Section 4.01(c) of this First Supplemental Indenture and into which money is deposited to pay Costs of Issuance of the Series 2014 Bonds.

“Series 2014B Costs of Issuance Fund” means the fund of such designation established pursuant to Section 4.01(d) of this First Supplemental Indenture and into which money is deposited to pay Costs of Issuance of the Series 2014 Bonds.

“*Series 2014 Interest Account*” means the account within the Bond Fund of that designation created pursuant to Section 4.01(a) of this First Supplemental Indenture and into which money is to be deposited to pay interest on the Series 2014 Bonds.

“*Series 2014 Principal Account*” means the account within the Bond Fund of that designation created pursuant to Section 4.01(b) of this First Supplemental Indenture and into which money is to be deposited to pay principal on the Series 2014 Bonds.

“*Sinking Account*” means the account by that name established within the Series 2014 Principal Account pursuant to Section 3.03 hereof.

“*Sinking Fund Installments*” shall have the meaning set forth in Section 3.03 hereof.

“*Tax Certificate*” means that Tax Compliance Certificate, dated May __, 2014, as amended from time to time, executed by the Corporation and executed with respect to the Series 2014A Bonds.

Section 1.02. Article and Section References. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this First Supplemental Indenture.

ARTICLE II

THE SERIES 2014 BONDS

Section 2.01. Designation of the Series 2014 Bonds; Principal Amount. The Series 2014 Bonds authorized to be issued under the Master Trust Indenture and this First Supplemental Indenture shall be designated as “County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A,” which shall be issued in the original principal amount of \$_____, and “County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable),” which shall be issued in the original principal amount of \$_____.

Section 2.02. Authorization for Series 2014 Bonds. The Corporation has reviewed all proceedings heretofore taken relative to the authorization of the Series 2014 Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2014 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Corporation is now duly authorized, to issue the Series 2014 Bonds in the form and manner provided herein for the purpose of providing funds to finance and refinance the Project, to pay costs of issuance in connection with the issuance of the Series 2014 Bonds, and that the Series 2014 Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

Section 2.03. Series 2014 Bonds Issued Under the Master Trust Indenture; Security; Parity. The Series 2014 Bonds are issued under and subject to the terms of the Master Trust Indenture and are secured by and payable from the Revenues and other security provided

in the Master Trust Indenture and this First Supplemental Indenture and in accordance with the terms of the Master Trust Indenture and this First Supplemental Indenture.

Section 2.04. General Terms of the Series 2014 Bonds.

(a) The Series 2014 Bonds shall be dated the Closing Date and shall be issued in book-entry form in Authorized Denominations.

(b) The Series 2014A Bonds shall be issued in the original principal amount of \$_____ and shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

<u>November 1</u> <u>of the Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(c) The Series 2014B Bonds shall be issued in the original principal amount of \$_____ and shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

<u>November 1</u> <u>of the Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(d) The principal of the Series 2014 Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee upon presentation and surrender of such Series 2014 Bonds.

(e) The Series 2014 Bonds shall bear interest at the rates set forth above, payable on the Interest Payment Dates in each year, commencing on November 1, 2014. Each Series 2014 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is during the period commencing after a Record Date through and including the next succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless such date of authentication is on or before the first Record Date, in which event it shall bear interest from the Closing Date; provided, that if on the date of authentication of any Series 2014 Bond, interest is then in default on any Outstanding Bonds, such Series 2014 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Bonds.

(f) Payment of interest on the Series 2014 Bonds due on or before the maturity or prior redemption thereof shall be made as provided in Section 2.05 hereof and the Representation Letter.

(g) Payment of interest on the Series 2014 Bonds which are not Book-Entry Bonds, shall be paid to the person in whose name such Series 2014 Bond is registered, as of the Record Date preceding the applicable Interest Payment Date, on the registration books kept by the Trustee pursuant to Section 2.07 of the Master Trust Indenture, such interest to be paid by check mailed by first-class mail on such Interest Payment Date to such Owner at his or her address as it appears on such books as of the Record Date; provided, however, that upon the written request of an Owner of \$1,000,000 or more in aggregate principal amount of Series 2014 Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. Any such written request shall remain in effect until rescinded in writing by the Owner.

(h) Interest on the Series 2014 Bonds shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

(i) Each Series of the Series 2014 Bonds shall be initially registered in the name of "Cede & Co.," as nominee of DTC, shall be in book-entry form, and shall be evidenced by one bond for each maturity bearing a specified interest rate (each, a "maturity") of the Series 2014 Bonds in the principal amount of the respective maturities of the Series 2014 Bonds.

Section 2.05. Book-Entry Bonds.

(a) Except as otherwise provided in paragraph (c) of this Section 2.05, the Owner of all of the Series 2014 Bonds shall be DTC and the Series 2014 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of the principal of and interest on each Series 2014 Bond registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Representation Letter delivered to DTC by the Corporation or the County.

(b) The Series 2014 Bonds shall be in the form of a single authenticated fully registered bond for each maturity bearing a specified interest rate. The ownership of all such Series 2014 Bonds shall be registered in the registration books maintained by the Trustee in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Trustee, the Corporation and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2014 Bonds registered in its name for the purposes of payment of the principal of and interest on such Series 2014 Bonds, selecting any Series 2014 Bonds or portions thereof to be prepaid, giving any notice permitted or required to be given to an Owner under this First Supplemental Indenture, registering the transfer of Series 2014 Bonds, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Trustee, the Corporation nor the County shall be affected by any notice to the contrary. Neither the Trustee, the Corporation nor the County shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section, securities brokers and dealers, banks, trust companies, clearing authorities and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Series 2014 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant; (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest represented by such Series 2014 Bonds; (iii) any notice which is permitted or required to be given to the Owners under this First Supplemental Indenture; (iv) the selection by DTC or any Participant of any person to receive payment in the event, if any, of a partial redemption of the Series 2014 Bonds; or (v) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal of and premium, if any, and interest on the Series 2014 Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Series 2014 Bonds will be transferable to such new nominee in accordance with paragraph (f) of this Section.

(c) In the event that the Corporation determines that it is in the best interests of the beneficial owners of the Series 2014 Bonds that they be able to obtain Series 2014 Bonds, the Trustee shall, upon the written instruction of the Corporation, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Series 2014 Bonds. In such event, the Series 2014 Bonds will be transferable in accordance with paragraph (f) of this Section. DTC may determine to discontinue providing its services with respect to the Series 2014 Bonds at any time by giving written notice of such discontinuance to the County, the Corporation or the Trustee (who shall promptly provide a copy of such notice to the County and the Corporation) and discharging its responsibilities with respect thereto under applicable law. In such event, the Series 2014 Bonds will be transferable in accordance with paragraph (f) of this Section. Whenever DTC requests the County, the Corporation or the Trustee to do so, the Trustee, the Corporation and the County will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all Series 2014 Bonds evidencing the Series 2014 Bonds then Outstanding. In such event, the Series 2014 Bonds will be transferable to such securities depository in accordance

with paragraph (f) of this Section, and thereafter, all reference in this First Supplemental Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this First Supplemental Indenture to the contrary, so long as all Series 2014 Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest represented by each such Bond and all notices with respect to each such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Corporation shall execute and deliver the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this First Supplemental Indenture.

(f) In the event that any transfer or exchange of Series 2014 Bonds is authorized under paragraph (b) or (c) of this Section, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Series 2014 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of the Master Trust Indenture. In the event Series 2014 Bonds are issued to holders other than Cede & Co., its successor as nominee for DTC as Owner of all the Series 2014 Bonds, another securities depository as Owner of all the Series 2014 Bonds, or the nominee of such successor securities depository, the provisions of the Master Trust Indenture shall also apply to, among other things, the registration, exchange and transfer of the Series 2014 Bonds and the method of payment of principal of, premium, if any, and interest on the Series 2014 Bonds.

ARTICLE III

REDEMPTION

Section 3.01. Notice to Bondholders. Notice of redemption of any Series 2014 Bonds shall be mailed by the Trustee, not less than 30 nor more than 60 days prior to the redemption date to (i) the respective Owners of the Series 2014 Bonds designated for redemption at their addresses appearing on the registration books of the Trustee by first-class mail or (ii) with respect to Series 2014 Bonds held by DTC to DTC by registered mail or by overnight delivery. Each notice of redemption shall state the date of such notice, the redemption price, the name and appropriate address of the Trustee, the CUSIP number, if any, of the maturity or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the Series 2014 Bonds of such maturity to be redeemed and, in the case of Series 2014 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Series 2014 Bonds thereof and in the case of a Series 2014 Bond to be redeemed in part only, the specified portion of the principal amount thereof to be redeemed, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest

thereon shall cease to accrue, and shall require that such Series 2014 Bonds be then surrendered at the address of the Trustee specified in the redemption notice.

Any notice of optional redemption of the Series 2014 Bonds delivered in accordance with this Section may be conditional, and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, said notice shall be of no force and effect and the Corporation shall not be required to redeem the Series 2014 Bonds thereby called for redemption, and the redemption shall be cancelled and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. In addition, the Corporation may, at its option, on or prior to the date fixed for optional redemption in any notice of redemption of the Series 2014 Bonds, rescind and cancel such notice of redemption by Written Request of the Corporation to the Trustee, and any optional redemption of Series 2014 Bonds and notice thereof shall be rescinded and cancelled and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled pursuant to the provisions hereof. Any optional redemption of Series 2014 Bonds and notice thereof shall be rescinded and cancelled if for any reason on the date fixed for optional redemption moneys are not available or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2014 Bonds called for optional redemption and such failure to optionally redeem the Series 2014 Bonds called for redemption shall not be a default hereunder.

Notice of redemption having been duly given as aforesaid or as otherwise provided in a Supplemental Indenture, and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the Series 2014 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Series 2014 Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in this First Supplemental Indenture, together with interest accrued thereon to the date fixed for redemption, interest on the Series 2014 Bonds so called for redemption shall cease to accrue, said Series 2014 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this First Supplemental Indenture, and the Owners of said Series 2014 Bonds shall have no rights in respect thereof except to receive payment of said redemption price and accrued interest to the date fixed for redemption.

All Series 2014 Bonds redeemed pursuant to the provisions of this Section shall be canceled by the Trustee and shall not be reissued.

Failure by the Trustee to give notice pursuant to this Section, or the insufficiency of any such notice, shall not affect the sufficiency of the proceedings for redemption. Failure by the Trustee to mail or otherwise provide notice of redemption pursuant to this Section to any one or more of the respective Owners of any Series 2014 Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Owners to whom such notice was mailed.

If any Series 2014 Bonds are at the time of redemption not Book-Entry Bonds, then the following additional requirements shall apply to any notice of redemption:

(a) at least two (2) days before the date of the mailing required by the first paragraph of this Section 3.01, such redemption notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission or (iii) overnight delivery service, to the following securities depository:

The Depository Trust Company
711 Stewart Avenue
Garden City, NY 11530
Facsimile Transmission: (516) 227-4039
(516) 227-4190

(b) such redemption notice shall be given (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one or more of the following services selected by the Corporation and designated in writing to the Trustee:

- (i) Financial Information, Inc.'s Financial Daily Called Bond Service;
- (ii) Interactive Data Corporation's Bond Service;
- (iii) Kenny Information Service's Called Bond Service;
- (iv) Moody's Municipal and Government Called Bond Record; or
- (v) Standard & Poor's Called Bond Record

Failure to give the notice described in the immediately preceding paragraph or any defect therein shall not in any manner affect the redemption of any Series 2014 Bond.

Section 3.02. Optional Redemption of the Series 2014 Bonds. The Series 2014B Bonds are not subject to optional redemption prior to maturity. The Series 2014A Bonds maturing on or before November 1, 20__, are not subject to optional redemption prior to maturity. The Series 2014A Bonds maturing after November 1, 20__, shall be subject to redemption prior to their respective stated maturities, at the option of the Corporation, from any source of available funds, in whole or in part, on any date on and after November 1, __, at par, together with accrued interest to the date fixed for redemption.

Section 3.03. Mandatory Redemption from Sinking Fund Installments. The Series 2014A Bonds with a stated maturity date of November 1, 20__, are subject to mandatory redemption prior to their stated maturity, in part, randomly by lot, from Sinking Fund Installments on each November 1 a Sinking Fund Installment is due as specified in this Section 3.03, in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium.

The Sinking Fund Installments for the Series 2014A Bonds with a stated maturity date of November 1, 20__ shall be due in the amounts and on the dates as follows:

Sinking Fund Installment Dates (November 1)	Sinking Fund Installments
---	------------------------------

*
*Final Maturity Date.

On or before the date such Sinking Fund Installments are due, the Trustee shall establish and maintain within the Series 2014 Principal Account, established pursuant to Section 4.01(b), a separate subaccount for the Term Bonds of each series and maturity, designated as the "2014 Bonds Sinking Subaccount" (the "Sinking Account"), inserting therein the series and maturity and, for maturities with more than one interest rate, for each such interest rate (if more than one such subaccount is established for such series) designation of such Series 2014 Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, upon the notice and in the manner provided herein pursuant to which such series of Series 2014 Bonds were issued; provided that, at any time prior to giving such notice of such redemption, the Trustee may apply moneys in such Sinking Account at the written direction of the County to the purchase of Term Bonds of such series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Series 2014 Interest Account) as shall be determined by the County, except that the purchase price (excluding accrued interest) shall not exceed the redemption price that would be payable for such Bonds upon redemption by application of such mandatory sinking account payment. If, during the 12-month period immediately preceding said mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased shall be applied, to the extent of the full principal amount thereof, to reduce said mandatory sinking account payment.

If (A) the Corporation purchases any Series 2014 Bonds and surrenders such Series 2014 Bonds to the Trustee for cancellation; or (B) if the Corporation optionally redeems any Series 2014 Bonds hereof, then the Corporation shall designate the Sinking Fund Installments, in an aggregate amount equal to the principal amount of Series 2014 Bonds so optionally redeemed,

that are to be reduced as allocated to such redemption, and such Sinking Fund Installments shall be reduced accordingly.

Section 3.04. Purchase in Lieu of Redemption. If any Series 2014 Bond is called for optional redemption in whole or in part, the Corporation may elect, as provided in this Section 3.04, to have such Series 2014 Bond purchased in lieu of redemption in accordance with this Section.

(a) *Purchase in Lieu of Redemption.* Purchase in lieu of redemption shall be available to all Series 2014 Bonds called for optional redemption or for such lesser portion of such Series 2014 Bonds as constitute Authorized Denominations. In a written Certificate of the Corporation, the Corporation may direct the Trustee (or another agent appointed by the Corporation to make such purchase upon behalf of the Corporation), to purchase all or such lesser portion of the Series 2014 Bonds called for optional redemption. Any such direction to the Trustee (or other agent) must (i) be in writing, (ii) state either that all of the Series 2014 Bonds called for redemption are to be purchased or identify those Series 2014 Bonds to be purchased by maturity date and the outstanding principal amount in Authorized Denominations; and (iii) be received by the Trustee no later than 12:00 noon Pacific Time one (1) Business Day prior to the scheduled redemption date thereof.

(b) *Withdrawal of Direction to Purchase.* On or prior to the scheduled redemption date, any direction given to the Trustee pursuant to this Section may be withdrawn by the Corporation by delivering a written Certificate of the Corporation to the Trustee. Subject generally to the terms of this First Supplemental Indenture, should a direction to purchase be withdrawn, the scheduled redemption of such Series 2014 Bonds shall occur.

(c) *Purchaser.* If the purchase is directed by the Corporation, the purchase shall be made for the account of the Corporation or its designee.

(d) *Purchase Price.* The purchase price of the Series 2014 Bonds purchased in lieu of redemption shall be equal to the outstanding principal of, accrued and unpaid interest on and the redemption premium, if any, which would have been payable on such Series 2014 Bonds on the scheduled redemption date for such redemption. To pay the purchase price of such Series 2014 Bonds, the Trustee shall not purchase the Series 2014 Bonds pursuant to this Section if, by no later than the redemption date, sufficient moneys have not been deposited with the Trustee or such moneys are deposited, but are not available.

(e) *No Notice to Bondholders.* No notice of the purchase in lieu of redemption shall be required to be given to the Owners (other than notice of redemption otherwise required under Section 3.01).

Section 3.05. Redemption from Net Proceeds. The Series 2014 Bonds are subject to redemption prior to their respective maturity dates, in Authorized Denominations, upon notice as hereinafter provided, on any date, in whole or in part, from Net Proceeds, as provided in Section

6.07 of the Master Trust Agreement herein and Section 5.02 of the Master Lease, at the principal amount thereof together with accrued interest to the date of redemption, without premium. The redemption date shall be a date, selected by the County on behalf of the Corporation, no later than 75 days after receipt of the Written Request of the County delivered to the Trustee pursuant to Section 6.07(a). Notwithstanding the foregoing, the Net Proceeds of the Series 2014A Bonds may be invested in a yield restricted account pursuant to the Tax Certificate and applied to the pro rata payment of principal of the Bonds, or such other selection of Bonds approved in an Opinion of Bond Counsel.

If less than all Outstanding Series 2014 Bonds are to be redeemed at any time pursuant to the provision of the immediately preceding paragraph above, the Trustee shall use the net insurance proceeds or condemnation awards attributable to the portion of the Property destroyed, damaged, stolen or taken, to redeem, randomly by lot among those Series and maturities of Series 2014 Bonds determined by the County and proportional if not designated, subject to the qualification that any redemption of Series 2014 Bonds pursuant to this section will not cause the total of all Master Lease Payments for the Property to be greater than the total fair rental value of the Property in accordance with Section 3.04 of the Master Lease. Subject to the foregoing, if less than all Outstanding Series 2014 Bonds maturing by their terms on any one date are to be so redeemed at any one time, the Trustee shall select randomly by lot the Bonds of such maturity date to be redeemed in any manner that it deems appropriate.

Section 3.06. Selection of Series 2014 Bonds for Redemption. The Series 2014 Bonds are subject to redemption in such order or maturity (except mandatory sinking fund payments on the Term Bonds) as the Corporation may direct (and proportional if no specific order of redemption is designated by the Corporation) and randomly by lot, selected in such manner as the Trustee (or DTC, as long as DTC is the securities depository for the Series 2014 Bonds) shall deem appropriate, within a maturity.

Upon surrender of a Series 2014 Bond to be redeemed, in part only, the Trustee will authenticate for the holder a new Series 2014 Bond or Series 2014 Bonds of the same maturity and interest rate equal to the principal amount to the unredeemed portion of the Series 2014 Bond surrendered.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 4.01. Establishment of Certain Funds. The Trustee shall establish the following special trust funds, which the Trustee agrees to maintain and keep separate and apart from all other funds and moneys held by the Trustee so long as the Series 2014 Bonds are Outstanding:

- (a) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014 Interest Account" (the "Series 2014 Interest Account") created within the Bond Fund created by Section 4.02 of the Master Trust Indenture;

(b) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014 Principal Account" (the "Series 2014 Principal Account") created within the Bond Fund created by Section 4.02 of the Master Trust Indenture;

(c) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A Costs of Issuance Fund" (the "Series 2014A Costs of Issuance Fund");

(d) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable) Costs of Issuance Fund" (the "Series 2014B Costs of Issuance Fund");

(e) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B GSA Payments Fund" (the "Series 2014B GSA Payments Fund");

(f) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B GSA Payments Account" (the "Series 2014B GSA Payments Account") created within the Series 2014B GSA Payments Fund;

(g) the "Excess GSA Payments Account" (the "Excess GSA Payments Account") created within the Series 2014B GSA Payments Fund; and **[if we switch Trustee, we need to move the excess GSA Payments Account currently in place to the new Trustee.]**

(h) the "County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A Rebate Account" (the "Series 2014A Rebate Account") created within the Rebate Fund created by Section 4.07 of the Master Trust Indenture.

So long as any of the Series 2014 Bonds, or any interest thereon, remain unpaid, the moneys in the preceding funds shall be used for no purpose other than those required or permitted by this First Supplemental Indenture.

Section 4.02. Application of Proceeds of Series 2014 Bonds.

(a) The proceeds received from the sale of the Series 2014A Bonds (comprised of the par amount plus net issue premium in the amount of \$_____, less an underwriters' discount of \$_____) shall be deposited in trust with the Trustee, who shall forthwith set aside the following amounts:

(i) the Trustee shall deposit the amount of \$ _____ in the Series 2014A Costs of Issuance Fund;

(ii) (A) the Trustee shall transfer the amount of \$ _____ to the Prepayment Account created pursuant to the Trust Agreement, dated as of April 1,

1997 (as amended and supplemented, the "Historic Courthouse Trust Agreement"), by and among the County, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, which funds shall be applied by the Trustee, together with funds held by the Trustee in funds and accounts created under the Historic Courthouse Trust Agreement, to redeem the Historic Courthouse Certificates on May __, 2014; and

(B) the Trustee shall transfer the amount of \$_____ to the Prepayment Account created pursuant to the Trust Agreement, dated as of December 1, 2003 (the "Capital Facilities Trust Agreement"), by and among the County, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, which funds shall be applied by the Trustee, together with funds held by the Trustee in funds and accounts created under the Capital Facilities Trust Agreement, to redeem the Capital Facilities Certificates on May __, 2014.

(b) The proceeds received from the sale of the Series 2014B Bonds (comprised of the par amount plus net issue premium in the amount of \$_____, less an underwriters' discount of \$_____) shall be deposited in trust with the Trustee, who shall forthwith set aside the following amounts:

(i) the Trustee shall deposit the amount of \$ _____ in the Series 2014B Costs of Issuance Fund; and

(ii) the Trustee shall deposit the amount of \$_____ in the Prepayment Account created pursuant to the Trust Agreement, dated as of April 1, 2003 (as amended and supplemented, the "Bankruptcy Courthouse Trust Agreement"), by and among the County, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, which funds shall be applied by the Trustee, together with funds held by the Trustee in funds and accounts created under the Bankruptcy Courthouse Trust Agreement, to redeem the Bankruptcy Courthouse Certificates on _____, 2014.

Section 4.03. Series 2014 Bond Fund. The Trustee shall make deposits into the Series 2014 Bond Fund as follows:

(a) *Series 2014 Interest Account.* The Trustee shall deposit into the Series 2014 Interest Account (i) amounts received from the Corporation pursuant to Section 4.03 of the Master Trust Indenture to be used to pay interest on the Series 2014 Bonds. The Trustee shall also deposit into the Series 2014 Interest Account any other amounts deposited with the Trustee for deposit in the Series 2014 Interest Account or transferred from other funds and accounts for deposit therein including amounts designated for prepayment or redemption of the Series 2014 Bonds. Earnings on the Series 2014 Interest Account shall be retained in such account.

(b) *Series 2014 Principal Account.* The Trustee shall deposit into the Series 2014 Principal Account amounts received from the Corporation pursuant to Section 4.03

of the Master Trust Indenture to be used to pay principal of the Series 2014 Bonds at maturity. The Trustee shall also deposit into the Series 2014 Principal Account any other amounts deposited with the Trustee for deposit into the Series 2014 Principal Account or transferred from other funds and accounts for deposit therein, including amounts designated for the prepayment or redemption of the Series 2014 Bonds. All moneys remaining in the Series 2014 Principal Account 15 days following the Principal Payment Dates shall be transferred to the Series 2014 Interest Account for the payment of interest on the Series 2014 Bonds.

The Series 2014 Bond Fund shall be invested and reinvested as directed by the Corporation in Permitted Investments.

Section 4.04. Series 2014 Cost of Issuance Fund.

(a) There shall be deposited into the Series 2014A Costs of Issuance Fund and the Series 2014B Costs of Issuance Fund, the amounts provided herein.

(b) The Trustee shall make payments or disbursements from the Series 2014A Costs of Issuance Fund and the Series 2014B Costs of Issuance Fund upon receipt from the Corporation of a written requisition (a form of which is attached as Exhibit B hereto) executed by an Authorized Representative of the Corporation, which requisition shall state, with respect to each amount requested thereby, (i) the Account, if any, within the Series 2014A Costs of Issuance Fund or the Series 2014B Costs of Issuance Fund from which such amount is to be paid, (ii) that such amount is to be paid from such Account, if any, of the Series 2014A Costs of Issuance Fund and the Series 2014B Costs of Issuance Fund, (iii) the number of the requisition, (iv) the amount to be paid, the name of the entity, if other than the Corporation, to which the payment is to be made and the manner in which the payment is to be made and (v) describe the Costs of Issuance represented by such payment.

(c) Moneys held in the Series 2014A Costs of Issuance Fund and the Series 2014B Costs of Issuance Fund shall be invested and reinvested as directed by the Corporation in Permitted Investments.

(d) Earnings on the Series 2014A Costs of Issuance Fund and the Series 2014B Costs of Issuance Fund shall be deposited into the Series 2014A Interest Account or the Series 2014B Interest Account, respectively. Any amounts remaining in the Series 2014A Costs of Issuance Fund on December __, 2014, shall be transferred to the Series 2014A Interest Account and the Series 2014A Costs of Issuance Fund shall be closed. Any amounts remaining in the Series 2014B Costs of Issuance Fund on December __, 2014, shall be transferred to or the Series 2014B Interest Account and the Series 2014B Costs of Issuance Fund shall be closed.

Section 4.05. Series 2014B GSA Payments Fund.

(a) GSA Payments received by the Trustee shall be deposited in the Series 2014B GSA Payments Account. Upon receipt of each monthly GSA Payment, the Trustee shall transfer from the GSA Payments Account and deposit (i) into the Series

2014 Interest Account, an amount equal to one-sixth (1/6th) of the interest due with respect to the Series 2014B Bonds on the next succeeding Interest Payment Date and (ii) into the Series 2014 Principal Account, an amount equal to one-twelfth (1/12th) of the principal due with respect to the Series 2014B Bonds on the next succeeding Principal Payment Date in accordance with the terms of this First Supplemental Indenture. Thereafter any remaining balance in the Series 2014B GSA Payments Account shall be transferred to the Excess GSA Payments Account. Any delinquent GSA Payments deposited in the GSA Payments Account shall be applied first to the payment of interest payments past due, and second to the payment of principal payments past due according to the tenor of any Series 2014B Bond.

(b) On any Business Day, the Trustee shall transfer all amounts on deposit in the Excess GSA Payments Account as the County may direct in writing free and clear of any lien thereon created by this First Supplemental Indenture. The County may, at any time and from time to time, at its option, transfer amounts to the Trustee to be held in the Excess GSA Payments Account and shall have all rights to direct the disbursement of such amounts as provided in this First Supplemental Indenture.

Section 4.06. Sources of Payment of Series 2014 Bonds. The Series 2014 Bonds shall be secured by and payable from the Revenues as provided in the Master Trust Indenture. The Corporation may, but is not obligated to, provide for payment of principal of and interest on the Series 2014 Bonds from any other source or from any other funds of the Corporation.

ARTICLE V

TAX COVENANTS

Section 5.01. Series 2014A Rebate Account. The Corporation hereby agrees that it will enter into the Tax Certificate and will, pursuant to this First Supplemental Indenture, create the Series 2014A Rebate Account, within the Rebate Fund created and established by the Master Trust Indenture, which fund will be funded if so required under the Tax Certificate and amounts in such Series 2014A Rebate Account shall be held and disbursed in accordance with the Tax Certificate and the Master Indenture.

Section 5.02. Preservation of Tax Exemption.

(a) The Corporation shall comply with those covenants and agreements set forth in the Tax Certificate.

(b) The Corporation shall not use or permit the use of any proceeds of Series 2014A Bonds or any other funds of the Corporation held by the Trustee under this First Supplemental Indenture, attributable to the Series 2014A Bonds, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the Corporation or the Trustee with respect to the Series 2014A Bonds in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Series 2014A Bond to be “federally guaranteed” within the meaning of Section 149(b) of the Code or an “arbitrage bond” within the meaning of Section 148 of the Code

and applicable regulations promulgated from time to time thereunder and under Section 103(c) of the Code. The Corporation shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. In the event the Corporation is of the opinion that it is necessary to restrict or limit the yield on the investment of money held by the Trustee or to use such money in certain manners, in order to avoid the Series 2014A Bonds from being considered “arbitrage bonds” within the meaning of Section 148 of the Code and the regulations thereunder as such may be applicable to the Series 2014A Bonds at such time, the Corporation shall issue to the Trustee a certificate to such effect together with appropriate instructions, in which event the Trustee shall take such action as it is directed to take to use such money in accordance with such certificate and instructions, irrespective of whether the Trustee shares such opinion.

(c) The Corporation shall at all times do and perform all acts and things permitted by law and this First Supplemental Indenture which are necessary or desirable in order to assure that interest paid on the Series 2014A Bonds will not be included in gross income for federal income tax purposes (other than interest paid to holders of the Series 2014A Bonds that are a “substantial user” of the facilities financed and refinanced with the Series 2014A Bonds or a “related person” within the meaning of Section 147(a) of the Code) and shall take no action that would result in such interest being included in gross income for federal income tax purposes (other than interest paid to holders of the Series 2014A Bonds that are a “substantial user” of the facilities financed and refinanced with the Series 2014A Bonds or a “related person” within the meaning of Section 147(a) of the Code).

ARTICLE VI

MISCELLANEOUS

Section 6.01. Notices.

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this First Supplemental Indenture or the Series 2014 Bonds must be in writing except as expressly provided otherwise in this First Supplemental Indenture or the Series 2014 Bonds.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when mailed by first class mail, postage prepaid, addressed to the Corporation or the Trustee at the addresses provided in the Master Trust Indenture or when delivered by hand and received by the Corporation or the Trustee at the addresses provided in the Master Trust Indenture. Any addressee may designate additional or different addresses for purposes of this Section.

Section 6.02. Modification of Master Trust Indenture and this First Supplemental Indenture. The Corporation may, from time to time and at any time, execute and deliver Supplemental Indentures supplementing and/or amending the Master Trust Indenture and this

First Supplemental Indenture in the manner set forth in Article VIII of the Master Trust Indenture.

Section 6.03. Parties Interested Herein. Nothing in this First Supplemental Indenture, expressed or implied, is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Corporation, the Trustee and the Registered Owners of the Series 2014 Bonds, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this First Supplemental Indenture contained by and on behalf of the Corporation shall be for the sole and exclusive benefit of the Corporation, the Trustee and the Registered Owners of the Series 2014 Bonds.

Section 6.04. Severability. If any provision of this First Supplemental Indenture shall be determined to be unenforceable, that shall not affect any other provision of this First Supplemental Indenture.

Section 6.05. Payments or Actions Occurring on Non Business Days. If a payment date is not a Business Day at the place of payment or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment were made or the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 6.06. Governing Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 6.07. Captions. The captions in this First Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this First Supplemental Indenture.

Section 6.08. Counterparts. This First Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

[End of First Supplemental Trust Indenture]

IN WITNESS WHEREOF, County of Riverside Asset Leasing Corporation has caused this First Supplemental Indenture to be signed in its name by its duly authorized officers, and Wells Fargo Bank, National Association, in token of its acceptance of the trusts created hereunder, has caused this First Supplemental Indenture to be signed in its corporate name by its duly authorized officer, all as of the day and year first above written.

COUNTY OF RIVERSIDE ASSET LEASING
CORPORATION

By _____
Harold Trubo, President

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Officer

[Signature page to First Supplemental Trust Indenture]

EXHIBIT A

FORM OF BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AS DEFINED IN THE INDENTURE) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND EXECUTED AND DELIVERED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[\$ _____]
County of Riverside Asset Leasing Corporation
Lease Revenue Refunding Bonds
(Court Facilities Project), Series 2014A]

[\$ _____]
County of Riverside Asset Leasing Corporation
Lease Revenue Refunding Bonds
(Court Facilities Project), Series 2014B (Taxable)]

NEITHER THIS BOND NOR THE PAYMENT OF THE PRINCIPAL OR ANY PART THEREOF NOR ANY INTEREST THEREON CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF RIVERSIDE OR STATE OF CALIFORNIA AND NEITHER THE FAITH AND CREDIT OF THE COUNTY OF RIVERSIDE NOR THE STATE OF CALIFORNIA ARE PLEDGED TO THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THIS BOND.

No. R- _____

\$ _____

Interest Rate

Maturity Date

Dated Date

CUSIP

_____ %

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL AMOUNT: _____ DOLLARS

The County of Riverside Asset Leasing Corporation, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Corporation"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner specified above or registered assigns on the maturity date specified above (subject to any right of prior redemption provided therefor) the principal sum specified above, together with interest thereon from the interest payment date next preceding the date of authentication hereof (unless such date of authentication is during the period commencing after the fifteenth day of the month immediately preceding an interest payment date, whether or not said day is a business day (the "Record Date") through and including the next succeeding interest payment date, in which event this Bond shall bear interest

from such interest payment date, or unless such date of authentication is on or before the first Record Date, in which event it shall bear interest from the Dated Date specified above); provided, however, that if on the date of authentication of this Bond, interest is then in default on any outstanding Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment.

The principal of this Bond shall be payable in lawful money of the United States of America at the corporate trust office of the Trustee in Los Angeles, California upon presentation and surrender of this Bond or such other place as designated by the Trustee.

Payment of interest on this Bond due on or before the maturity or prior redemption thereof shall be made to the person in whose name such Bond is registered, as of the Record Date preceding the applicable interest payment date, on the registration books kept by the Trustee at its corporate trust office, such interest to be paid by check mailed by first-class mail on such interest payment date to the registered owner at his address as it appears on such books as of the Record Date; provided that upon the written request of a registered owner of \$1,000,000 or more in aggregate principal amount of the Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. Interest on this Bond shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Bond is one of a duly authorized issue of bonds of the Corporation designated as its ["County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A"] ["County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable)"] (the "Series 2014[A][B] Bonds") in the aggregate principal amount of _____ Dollars (\$_____), all of like tenor and Dated Date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of an Master Trust Indenture, dated as of May 1, 2014 (the "Master Trust Indenture"), by and between the Corporation and Wells Fargo Bank, National Association, as trustee (the "Trustee"), as supplemented by the First Supplemental Trust Indenture, dated as of May 1, 2014 (the "First Supplemental Indenture," and together with the Master Trust Indenture, the "Indenture") (copies of which are on file at the office of the Secretary of the Corporation and at the Corporate Trust Office of the Trustee).

Concurrently with the issuance of the Series 2014[A][B] Bonds, the Corporation is issuing \$_____ aggregate principal amount of County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014[A][B] (the "Series 2014[A][B] Bonds" and, together with the Series 2014[A][B] Bonds, the "Bonds").

The Series 2014[A][B] Bonds are limited obligations of the Corporation and are payable, as to interest thereon and principal thereof, solely from the revenues derived from Base Rental Payments paid by the County of Riverside, California (the "County") for the use and occupancy of the Property (as defined in the Indenture) as long as the County has such use and occupancy of the Property, and amounts on deposit in the funds, accounts and subaccounts established under the relevant Supplemental Indenture (other than amounts on deposit in any Rebate Fund or any account therein), all as set forth in the respective Supplemental Indentures ("Revenues"). Any

Reserve Fund and any Reserve Fund Credit Facility provided for a specific Series of Bonds or one or more Series of Bonds shall not be included as security for all Bonds under the Indenture unless otherwise provided by a Supplemental Indenture. All the Bonds are equally and ratably secured in accordance with the terms and conditions of the Indenture by a pledge of the Revenues, which Revenues shall be held in trust for the security and payment of the interest on, principal of and redemption premiums, if any, with respect to the Bonds as provided in the Indenture.

The Series 2014[A][B] Bonds are special, limited obligations of the Corporation and do not constitute a debt, liability or obligation of the County or of the State of California (the "State") or any political subdivision thereof and neither the faith and credit of the County nor the State are pledged to the payment of the principal of or interest on the Series 2014[A][B] Bonds.

Additional lease revenue bonds payable from the Revenues may be issued which will rank equally as to security with the Bonds, but only subject to the conditions and upon compliance with the procedures set forth in the Indenture. Reference is hereby made to the Indenture and any and all amendments thereof and supplements thereto for a description of the terms under which the Series 2014[A][B] Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights of the registered owners of the Series 2014[A][B] Bonds. All of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Corporation and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents. Each registered owner hereof shall have recourse to all of the provisions of the Indenture and shall be bound by all of the terms and conditions thereof.

The Corporation has agreed and covenanted that, for the payment of the interest on, the principal of and redemption premium, if any, with respect to this Bond and all other Bonds of this issue authorized by the Indenture when due, there has been created and will be maintained by the Trustee a special fund into which all Revenues (other than deposits to the Rebate Fund created by the Indenture, or any accounts therein) shall be deposited, and the Corporation has allocated such Revenues solely to the payment of the interest on and principal of and redemption premiums, if any, on the Bonds, and the Corporation will pay promptly when due the interest on and the principal of and redemption premium, if any, on this Bond and all other Bonds of this issue authorized by the Indenture out of said special fund, all in accordance with the terms and provisions set forth in the Indenture.

The Series 2014[A][B] Bonds maturing on or after November 1, _____, shall be subject to redemption prior to their respective stated maturities, at the option of the Corporation, from any source of available funds, in whole or in part on any date, at the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium.

Any such redemption shall be in such order or maturity as the Corporation shall designate (and proportional if no specific order of redemption is designated by the Corporation) and randomly by lot, selected in such manner as the Trustee (or DTC, as long as DTC is the securities depository for the Series 2014[A][B] Bonds) shall deem appropriate, within a maturity.

The Series 2014[A][B] Bonds with a stated maturity date of November 1, _____, are subject to mandatory redemption prior to their respective stated maturity, in part, randomly by lot, from Sinking Fund Installments required by and as specified in the Indenture, at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium, in accordance with the sinking fund schedule set forth in the First Supplemental Indenture.

The Series 2014[A][B] Bonds are subject to redemption prior to their respective maturity dates, in authorized denominations, on any date, in whole or in part, from net insurance proceeds or condemnation awards, upon the terms and conditions of, and as provided in, the Indenture, at the principal amount thereof together with accrued interest to the date of redemption, without premium. If less than all outstanding Series 2014[A][B] Bonds are to be redeemed at any time, the Trustee shall use the net insurance proceeds or condemnation awards attributable to the portion of the Property destroyed, damaged, stolen or taken to redeem, randomly by lot among all maturities of Series 2014[A][B] Bonds determined by the County. If less than all the outstanding Series 2014[A][B] Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select randomly by lot the Series 2014[A][B] Bonds of such maturity date to be redeemed in any manner that it deems appropriate and fair.

As provided in the Indenture, notice of redemption of this Bond shall be given by first-class mail not less than 30 days nor more than 60 days before the redemption date to the registered owner hereof. If notice of redemption has been duly given and moneys for the payment of the redemption price is held by the Trustee, then on the redemption date designated in such notice, this Bond shall become due and payable, and from and after the date so designated, interest on this Bond shall cease to accrue and the registered owner of this Bond shall have no rights with respect hereto except to receive payment of the redemption price hereof.

Any notice of optional redemption of this Bond delivered in accordance with the Indenture may be conditional, and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, said notice shall be of no force and effect and the Corporation shall not be required to redeem this Bond thereby called for redemption, and the redemption shall be cancelled and the Trustee shall within a reasonable time thereafter give notice to the registered owner in the manner in which the notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled.

This Bond is transferable only in the books required to be kept for that purpose at the corporate trust office of the Trustee by the registered owner hereof in person or by his duly authorized attorney upon payment of the charges provided in the Indenture and upon surrender of this Bond together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Trustee shall not be required to register the transfer of or exchange any Series 2014[A][B] Bond (a) during the period commencing on the day which is five business days before the date on which Series 2014[A][B] Bonds are to be selected for redemption and ending on such date of selection, or (b) which has been selected for redemption in whole or in part.

The Corporation and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Corporation nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

The rights and obligations of the Corporation and of the registered owners of the Bonds may be amended at any time in the manner, to the extent and upon the terms provided in the Indenture.

If the Corporation shall pay or cause to be paid or there shall otherwise be paid to the registered owners of all outstanding Bonds the interest thereon, the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated herein and in the Indenture, then the registered owners of such Bonds shall cease to be entitled to the pledge of the Revenues as provided in the Indenture, and all agreements, covenants and other obligations of the Corporation to the registered owners of such Bonds under the Indenture shall thereupon cease, terminate and become void and be discharged and satisfied.

This Bond shall not be entitled to any benefit, protection or security under the Indenture or become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been manually executed and dated by the Trustee.

It is hereby certified that all acts and proceedings required by law necessary to make this Bond, when executed by the Corporation, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligation of the Corporation have been done and taken, and have been in all respects duly authorized.

IN WITNESS WHEREOF, the County of Riverside Asset Leasing Corporation has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Executive Director and attested to by the manual or facsimile signature of its Secretary as of the Dated Date specified above.

COUNTY OF RIVERSIDE ASSET LEASING
CORPORATION

By _____
Harold Trubo, President

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Officer

[FORM OF CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This Bond is one of the Bonds described in the within mentioned Indenture and has been authenticated and registered on _____.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Officer

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____, whose tax identification number is _____, the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTE: The signature to this Assignment must correspond with the name as written upon the face of the bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: _____

NOTE: The signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

FORM COSTS OF ISSUANCE FUND REQUISITION

To: [_____]

Re: ["County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A"] ["County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable)"]

Requisition No. _____

The undersigned, on behalf of the County of Riverside Asset Leasing Corporation (the "Corporation"), hereby requests Wells Fargo Bank, National Association (the "Trustee"), as trustee under that certain Master Trust Indenture between the Corporation and the Trustee, dated as of May 1, 2014 (the "Master Trust Indenture") and the First Supplemental Trust Indenture, dated as of May 1, 2014 (the "First Supplemental Trust Indenture" and together with the Master Trust Indenture, the "Indenture") relating to the Corporation's Lease Revenue Refunding Bonds, [Series 2014A] [Series 2014B (Taxable)] (the "Bonds"), to pay the amounts indicated on Schedule A attached hereto to the therein-named individuals, firms and corporations for expenses incident to the issuance of said Bonds pursuant to the Indenture from the Costs of Issuance Fund.

The undersigned hereby certifies that obligations in the amounts stated below have been incurred, are presently due and payable, and that each item is a proper charge against the [Series 2014A Costs of Issuance Fund] [Series 2014B Costs of Issuance Fund] and has not been previously paid from said fund or from the proceeds of the Bonds.

Dated: _____

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION

By _____
Authorized Representative

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Kutak Rock LLP
601 South Figueroa Street, Suite 4200
Los Angeles, California 90017
Attention: Sam S. Balisy, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS
DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE
CALIFORNIA GOVERNMENT CODE.

ASSIGNMENT AGREEMENT

by and between the

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION,
as assignor

and the

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as assignee

Dated as of May 1, 2014

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT, dated as of May 1, 2014 (“*Assignment Agreement*”), by and between the **COUNTY OF RIVERSIDE ASSET LEASING CORPORATION**, a California nonprofit public benefit corporation (the “*Corporation*”), and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States, being qualified to accept and administer the trusts hereby created, as trustee (the “*Trustee*”)

WITNESSETH:

WHEREAS, the County of Riverside, California (the “*County*”) and the Corporation have entered into a Master Site and Facilities Lease, dated as of the date hereof (the “*Master Site Lease*”), pursuant to which the County agrees, among other things, to lease to the Corporation the real property, buildings and improvements described in Exhibit A hereto and made a part hereof (collectively, the “*Property*”);

WHEREAS, the County and the Corporation have entered into a Master Lease Agreement, dated as of the date hereof, and recorded concurrently herewith, (the “*Master Lease*”), pursuant to which the Corporation agrees, among other things, to sublease the Property to the County in consideration for which the County has agreed to pay base rental payments (“*Base Rental Payments*”) and additional rental, all as more particularly described in the Master Lease;

WHEREAS, the Corporation and the Trustee have entered into a Master Trust Indenture, dated as of the date hereof (the “*Master Trust Indenture*”) by and between the Corporation and the Trustee, as supplemented by the First Supplemental Trust Indenture, dated as of the date hereof (the “*First Supplemental*”) and together, collectively, with the Master Trust Indenture, the “*Indenture*”), pursuant to which the Corporation is issuing its Lease Revenue Refunding Bonds (Court Facilities Project) (the “*Series 2014 Bonds*”) for the purpose of current refunding certain certificates of the County; and

WHEREAS, the Corporation desires to assign and transfer certain of its rights, title and interest in and to the Master Site Lease and the Master Lease to the Trustee on the terms and conditions set forth herein in order to facilitate the issuance of the Series 2014 Bonds;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained herein, the parties hereto agree as follows:

Section 1. Definitions. All capitalized terms used herein without definition shall have the meanings given to such terms in the Indenture.

Section 2. Assignment. The Corporation, for good and valuable consideration the receipt of which is hereby acknowledged, does hereby presently and unconditionally sell, assign and transfer to the Trustee, for the benefit of the Owners, from time to time, of the Series 2014 Bonds, all of the Corporation’s rights, title and interest in and to the Master Site Lease and the Master Lease, including without limitation the Corporation’s right to receive Base Rental Payments, as well as its rights to enforce payment of such Base Rental Payments when due and

otherwise to protect its interest and exercise all remedies in the event of a default or termination by the County under the Master Lease, in accordance with the terms thereof; provided, however, that the Corporation retains the right to indemnification and payment or reimbursement for any costs or expenses. The right to receive Base Rental Payments and other rights of the Corporation assigned hereunder shall be applied and the rights so assigned shall be exercised by the Trustee as provided in the Indenture and the Master Lease. This Assignment constitutes a collateral assignment of the Master Site Lease and the Master Lease by the Corporation to the Trustee as security for the Corporation's obligations under the Indenture.

Section 3. Acceptance of Assignment. The Trustee hereby accepts the assignment of such of the Corporation's rights under the Master Site Lease and the Master Lease as are assigned pursuant to the terms of this Assignment Agreement, for the purpose of securing such Base Rental Payments and rights to the Owners, from time to time, of the Series 2014 Bonds.

Section 4. No Additional Rights or Duties. This Assignment Agreement shall not confer any rights nor impose any duties, obligations or responsibilities upon the Trustee beyond those expressly provided in the Master Site Lease, the Master Lease and the Indenture. This Assignment Agreement shall not impose any duties, obligations or responsibilities upon the Corporation or the County beyond those expressly provided in the Master Site Lease, the Master Lease and the Indenture or as otherwise set forth herein.

Section 5. Further Assurances. The Corporation will 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 Assignment Agreement, and to further assure and confirm to the Trustee and the Owners, from time to time, of the Series 2014 Bonds the rights and benefits intended to be conveyed pursuant hereto.

Section 6. Governing Law. This Assignment Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 7. Counterparts. This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same agreement.

Section 8. Amendment. This Assignment Agreement may be amended by the parties hereto in writing, but only in accordance with and as permitted by the terms of the Indenture.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties have executed this Assignment Agreement as of the date first written.

**COUNTY OF RIVERSIDE ASSET
LEASING CORPORATION**

By _____
, President

Attest:

By _____
Ivan Chand, Assistant Secretary

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

By _____
Authorized Officer

CALIFORNIA ALL PURPOSE ACKNOWLEDGEMENT

ACKNOWLEDGMENT

State of California
County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CALIFORNIA ALL PURPOSE ACKNOWLEDGEMENT

ACKNOWLEDGMENT

State of California
County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of Riverside, State of California, described as follows:

MASTER SITE AND FACILITIES LEASE

by and between the

COUNTY OF RIVERSIDE,
as lessor

and the

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION,
as lessee

Dated as of May 1, 2014

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MASTER SITE AND FACILITIES LEASE

This Master Site and Facilities Lease, dated as of May 1, 2014 (“Site Lease”), by and between the **County of Riverside**, a body corporate and politic and a political subdivision of the State of California (the “County”), as lessor, and the **County of Riverside Asset Leasing Corporation**, a California nonprofit public benefit corporation (the “Corporation”), as lessee. (Capitalized terms used in the Whereas clauses which are not defined therein shall have the meaning provided in Section 1 hereof).

WITNESSETH:

WHEREAS, the County has determined that it is in the public interest and there is a significant public benefit to the inhabitants of the County as there are demonstrable savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs that the County refinance the Original Projects and refund the related Original Certificates (together, the “Project”); and

WHEREAS, to accomplish this Project, the County will enter into this Site Lease with the Corporation pursuant to which the County will lease to the Corporation certain real property belonging to the County, together with the improvements located thereon that are owned by the County (collectively the “Property,” as more particularly described in Exhibit A hereto); and

WHEREAS, concurrently with the execution of this Site Lease, the Corporation and the County are entering into a Master Lease Agreement, dated as of May 1, 2014 (the “Master Lease”), pursuant to which the Corporation will lease the Property back to the County; and

WHEREAS, to provide funds to accomplish the Project, the County has requested the Corporation to issue its Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A (the “Series 2014A Bonds”) and Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable) (the “Series 2014B Bonds” and, together with the Series 2014A Bonds, the “Series 2014 Bonds”) pursuant to the Master Trust Indenture, dated as of May 1, 2014 (the “Master Indenture”), by and between the Corporation and Wells Fargo Bank, National Association, as trustee thereunder (the “Trustee”) as supplemented by a First Supplemental Trust Indenture, dated as of May 1, 2014, by and between the Corporation and the Trustee (the “First Supplemental Indenture,” and together with the Master Indenture, the “Indenture”); and

WHEREAS, the County is authorized by law to lease the Property and to consummate the Project, and the lease of the Property and the Project are necessary and proper public purposes; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Site Lease.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

Section 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings given such terms pursuant to the Master Lease, as it may be amended pursuant to its terms, and, if such terms are not defined in the Master Lease, then such terms shall have the meanings given such terms pursuant to the Indenture, as it may be amended pursuant to its terms.

Section 2. Property. The County hereby leases to the Corporation and the Corporation hereby leases from the County all of the County's right, title and interest in the Property described in Exhibit A hereto (which Exhibit A is hereby incorporated herein by this reference), subject to the terms and conditions set forth herein. In consideration of the lease by the County to the Corporation of all the County's right, title and interest in the Property, the Corporation shall sublease the Property back to the County pursuant to the Master Lease, and recorded concurrently herewith.

The County and the Corporation expressly acknowledge that certain lease agreement between the County and the United States of America, acting by and through the General Services Administration (the "GSA"), No. GS-09B-93834, dated December 21, 1994, as amended (the "GSA Lease Agreement"), pursuant to which the GSA has leased the Property. [The leasehold interest granted pursuant to the GSA Lease Agreement is subordinate to the leasehold interest granted pursuant to this Master Lease.]

Section 3. Term. The term of this Site Lease shall commence on the Closing Date for the Series 2014 Bonds and shall end on _____ (the "Term"), unless such term is otherwise terminated or extended as hereinafter provided, or such other date or dates as set forth in an amendment to this Site Lease (the "Expiry Date"). If on _____, the Indenture shall not be discharged by its terms, or if the Base Rental Payments payable under the Master Lease shall have been abated at any time and for any reason, then the Term of this Site Lease shall be extended until the Indenture shall be discharged by its terms (but not later than _____). If prior to _____, the Indenture shall be discharged by its terms, the Term of this Site Lease shall thereupon end.

Section 4. Rental. The Corporation shall pay to the County as and for rental hereunder the sum of One Dollar (\$1.00), all of which shall be payable within 10 days after the date hereof. The Corporation hereby waives any right that it may have under the laws of the State of California to receive a rebate of such rent in full or in part in the event there is a substantial interference with the use and right of possession by the Corporation of the Property or portion thereof as a result of material damage, destruction or condemnation.

Section 5. Ownership. The County represents and covenants that it is the sole owner of and holds fee title to the Property free and clear of any encumbrances other than Permitted Encumbrances, and has full power and authority to enter into this Site Lease and the Master Lease.

Section 6. Assignments and Subleases. Except as provided in the Master Lease and the Indenture, as security for the Bonds, the Corporation shall not assign, mortgage, hypothecate or otherwise encumber this Site Lease or any rights hereunder or the leasehold created hereby, by indenture or deed of trust or otherwise or sublet the Property without the written consent of the County (unless a default or Event of Default under the Master Lease or the Indenture shall have occurred and be continuing, in which case the consent of the County shall not be required), except that the County expressly approves and consents to the Master Lease, the Assignment Agreement, dated as of May 1, 2014, and recorded concurrently herewith, by and between the Corporation and Wells Fargo Bank, National Association, as Trustee, the Indenture, and the pledge and assignment to the Trustee of, and the granting to the Trustee of a security interest in and lien on, all of the Corporation's right, title and interest in and to the Property, including the Corporation's right to receive Lease Payments, pursuant to the Indenture.

Section 7. Purpose. The Corporation shall use the Property solely for the purpose of subleasing the same to the County pursuant to the Master Lease and the County hereby leases the Property to the Corporation expressly on said condition; provided, however, that in the event of default by the County under the Master Lease, the Corporation may exercise the remedies provided in the Master Lease.

Section 8. Right of Entry: Easements. The County reserves the right for any of its duly authorized representatives to enter upon the Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination. Upon the termination or expiration of this Site Lease, the Corporation shall quit and surrender the Property in the same good order and condition as the same was in at the time of commencement of the term hereunder, except for acts of God and reasonable wear and tear and any actions taken by the County that may affect the condition of the Property, and agrees that any permanent improvements and structures existing upon the Property at the time of such termination or expiration of this Site Lease shall remain thereon and title thereto shall vest in the County.

Section 10. Quiet Enjoyment. The Corporation at all times during the term of this Site Lease, shall peaceably and quietly have, hold and enjoy all of the Property.

Section 11. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Corporation shall be solely liabilities of the Corporation, as a public entity and agency, and the County hereby releases each and every member, director, officer, agent or employee of the Corporation of and from any personal or individual liability under this Site Lease. No member, director, officer, agent or employee of the Corporation shall at any time or under any circumstances be individually or personally liable under this Site Lease to the County or to any other party whomsoever for anything done or omitted to be done by the Corporation hereunder.

The Corporation and its members, directors, officers, agents, employees and assignees shall not be liable to the County or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Property. The County, to the extent permitted by law, shall indemnify and hold the

Corporation and its members, directors, officers, agents, employees and assignees, harmless from, and defend each of them against, any and all claims, liens and judgments arising from the construction or operation of the Property, including, without limitation, death of or injury to any person or damage to property whatsoever occurring in, on or about the Property regardless of responsibility for negligence, but excepting the active negligence of the person or entity seeking indemnity.

Section 12. Taxes. The County covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Property.

Section 13. Eminent Domain. If the Property shall be taken under the power of eminent domain, the interest of the Corporation shall be recognized and is hereby determined to be the aggregate amount of unpaid Lease Payments with respect to the Property under the Master Lease through the remainder of its Term (excluding any contingent or potential liabilities), and such proceeds shall be paid to the Trustee, as assignee of the interest of the Corporation hereunder, in accordance with the terms of the Assignment Agreement, the Master Lease and the Indenture.

Section 14. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms hereof, which default continues for 30 days following notice and demand by the County for correction thereof to the Corporation, the County may exercise any and all remedies granted by law, except that no merger of this Site Lease and the Master Lease shall be deemed to occur as a result thereof; provided, however, prior to the Expiry Date, the County shall have no power to terminate this Site Lease by reason of any default on the part of the Corporation, if such termination would affect or impair any assignment of the Site Lease then in effect between the Corporation and the Trustee.

Section 15. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, pursuant to a finding, order or decree that becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 16. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received upon actual receipt, by first class mail, personal delivery or overnight courier:

to the County at: County of Riverside
County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, California 92501
Attention: County Executive Officer

to the Corporation at: County of Riverside Asset Leasing Corporation
County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, California 92501
Attention: Assistant Secretary

to the Trustee: Wells Fargo Bank, National Association

Attention: Corporate Trust Department

The Corporation, the County and the Trustee by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 17. Observance and Performance under the Indenture. The County hereby agrees and covenants that during the term hereof and so long as the Master Indenture remains in effect, it will observe and perform the agreements, conditions, covenants and terms required to be observed or performed by it contained in the Master Indenture.

Section 18. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 19. Amendment. This Site Lease may be amended:

- (a) for the purpose of effecting a substitution, removal or addition to the Property as provided in Section 4.07 of the Master Lease; and
- (b) for any other purpose subject to and in accordance with Section 8.02 of the Master Lease.

Section 20. Governing Law. This Site Lease shall be governed by and interpreted in accordance with the laws of the State of California.

Section 21. Execution in Counterparts. This Site Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Site Lease.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties have executed this Site Lease as of the date first written.

COUNTY OF RIVERSIDE, as Lessor

By _____
Jeff Stone, Chairman of the Board

ATTEST:

By _____
Kecia Harper-Ihem, Clerk

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION, as Lessee

By _____
Harold Trubo, President

ATTEST:

By _____
Ivan Chand, Assistant Secretary

EXHIBIT A

DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of Riverside, State of California, described as follows:

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property leased by the Site Lease to which this certificate is attached and made a part thereof, which Site Lease is dated May 1, 2014, to the County of Riverside Asset Leasing Corporation from the County of Riverside is hereby accepted on behalf of said County of Riverside Asset Leasing Corporation pursuant to authority conferred by Resolution adopted on April __, 2014 and said County of Riverside Asset Leasing Corporation hereby consents to the recordation thereof by its duly authorized officer.

RIVERSIDE COUNTY ASSET LEASING CORPORATION, as lessee

By _____
Harold Trubo, President

Dated as of May __, 2014

ESCROW AGREEMENT

by and between

COUNTY OF RIVERSIDE

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee and Escrow Agent

May 1, 2014

relating to

\$18,000,000
County of Riverside
Certificates of Participation
(Bankruptcy Courthouse Acquisition Project)

ESCROW AGREEMENT

This Escrow Agreement, dated as of May 1, 2014 (this "Escrow Agreement"), is made by and between the **County of Riverside** (the "County"), 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 successor to the City Treasurer of the City, as trustee under the hereinafter defined Trust Agreement, and as escrow agent (the "Trustee/Escrow Agent").

WITNESSETH:

WHEREAS, the County previously issued its Certificates of Participation (Bankruptcy Courthouse Acquisition Project) (the "Refunded Certificates"), pursuant to that certain Trust Agreement, dated as of April 1, 2003, as amended (the "Trust Agreement"), by and among the County, the County of Riverside Court Financing Corporation and the Trustee/Escrow Agent, as trustee; and

WHEREAS, the County of Riverside Asset Leasing Corporation, a California nonprofit public benefit corporation (the "Corporation") is, simultaneously with the execution of this Escrow Agreement, issuing \$_____ aggregate principal amount of its Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014B (Taxable) (the "Series 2014B Bonds") under the terms of the Master Trust Indenture, dated as of May 1, 2014 (the "Master Indenture"), as supplemented by the First Supplemental Indenture, dated as of May 1, 2014, by and between the Corporation and the Trustee/Escrow Agent, as trustee; and

WHEREAS, the Series 2014B Bonds are being issued, among other things, to current refund and defease the Refunded Certificates set forth in Exhibit A attached hereto;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Creation of Escrow Fund. There is hereby created and established with the Trustee/Escrow Agent a special and irrevocable escrow fund designated "Bankruptcy Courthouse Escrow Fund" (the "Escrow Fund") to be held in the custody of the Trustee/Escrow Agent in trust under this Escrow Agreement for the benefit of the owners of the Refunded Certificates. Except as otherwise provided in Section 5 hereof, the County shall have no interest in the funds or investments held in the Escrow Fund.

Section 2. Deposit to the Escrow Fund. Concurrently with the execution and delivery of this Escrow Agreement, the County hereby directs the Trustee/Escrow Agent to, and the Trustee/Escrow Agent shall, deposit the sum of [(a)] \$_____ to be derived from the proceeds of the sale of the Series 2014B Bonds, [and (b)] \$_____ to be derived from the _____ Reserve Fund maintained by the Trustee/Escrow Agent pursuant to the Trust Agreement] into the Escrow Fund.

Such amounts deposited in the Escrow Fund are sufficient to pay all remaining principal of and interest due on the respective Refunded Certificates on the date set forth in Schedule I attached hereto, and no interest will accrue on the Refunded Certificates after such date.

Section 3. No Investment of the Escrow Fund. The Trustee/Escrow Agent shall hold the funds provided in Section 2 hereof uninvested.

Section 4. Creation of Lien on the Escrow Fund. The deposit of the moneys in the Escrow Fund shall constitute an irrevocable deposit in trust for the benefit of the holders of the Refunded Certificates. The holders of the Refunded Certificates are hereby granted an express lien on the Escrow Fund and all moneys from time to time held therein for the payment of amounts described in Section 5 hereof.

Section 5. Use of Escrow Fund. The Trustee/Escrow Agent shall withdraw the amounts described in Schedule I attached hereto on the payment date set forth in such Schedule I from the Escrow Fund and use such amounts in its capacity as Trustee/Escrow Agent for the respective Refunded Certificates to pay principal and premium of and interest on such Refunded Certificates as directed pursuant to the Trust Agreement.

The Trustee/Escrow Agent shall retain all unclaimed moneys in the Escrow Fund. At such time as the County delivers to the Trustee/Escrow Agent written notice that no additional amounts from the Escrow Fund will be needed to redeem the Refunded Certificates, or on _____, whichever occurs first, the Trustee/Escrow Agent shall transfer all amounts then remaining in the Escrow Fund to the County, and thereafter the holders of the Refunded Certificates shall look only to the County for payment and the Trustee/Escrow Agent shall have no responsibility or liability whatsoever with respect to any of such moneys. At such time as no amounts remain in the Escrow Fund, such account shall be closed.

Section 6. Notice of Redemption of Refunded Certificates. The Trustee/Escrow Agent hereby confirms that it gave or caused to be given notice of redemption of the Refunded Certificates, at such time and in such manner as provided in the Trust Agreement to the owners of the Refunded Certificates.

Section 7. Liability of Trustee/Escrow Agent.

(a) The Trustee/Escrow Agent shall not under any circumstance be liable for any loss resulting from any investment made pursuant to this Escrow Agreement in compliance with the provisions hereof. The Trustee/Escrow Agent shall have no lien whatsoever on the Escrow Fund or moneys on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Trustee/Escrow Agent under this Escrow Agreement or otherwise.

(b) The Trustee/Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of any moneys deposited into the Escrow Fund.

(c) The County agrees that if for any reason the moneys and other funds available to pay principal of, premium and interest on the Refunded Certificates are insufficient therefor, the County shall continue to be liable for payment therefor in accordance with the terms of the Trust Agreements.

(d) No provision of this Escrow Agreement shall require the Trustee/Escrow Agent to expend or risk its own funds.

(e) The Trustee/Escrow Agent may consult with bond counsel to the County or with such other counsel of its own choice subject to reasonable approval by the County (which may but need not be counsel to the County) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(f) Whenever in the administration of this Escrow Agreement the Trustee/Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or not taking any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of gross negligence or willful misconduct on the part of the Trustee/Escrow Agent, be deemed to be conclusively proved and established by a Certificate of the County (as defined in the Trust Agreements), and such certificate shall, in the absence of gross negligence or willful misconduct on the part of the Trustee/Escrow Agent, be full warrant to the Trustee/Escrow Agent for any action taken or not taken by it under the provisions of this Escrow Agreement in reliance thereon. The Trustee/Escrow Agent hereby represents that, as of the date hereof, it does not need any further certificate or direction from any other party in order to carry out the terms of this Escrow Agreement.

(g) The Trustee/Escrow Agent may conclusively rely, as to the truth and accuracy of the statements and correctness of the opinions and the calculations provided, and shall be protected and indemnified as set forth in Section 11 herein, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document or opinion furnished to the Trustee/Escrow Agent signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate or opinion.

(h) The Trustee/Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in this Escrow Agreement and no implied duties or obligations shall be read into this Escrow Agreement against the Trustee/Escrow Agent.

(i) The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special indirect or consequential damages.

Section 8. Successor Trustee/Escrow Agent. Any corporation into which the Trustee/Escrow Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Trustee/Escrow Agent shall be a party or any corporation succeeding to the corporate trust business of the Trustee/Escrow Agent, shall be the successor Trustee/Escrow Agent under this Escrow Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 9. Termination. This Escrow Agreement shall terminate when all transfers and payments required to be made by the Trustee/Escrow Agent under the provisions hereof shall have been made. Any deficiency in the amounts required to be paid hereunder shall be paid by the County. The County hereby directs the Trustee/Escrow Agent to, and the Trustee/Escrow

Agent shall, distribute any moneys remaining in the Escrow Fund at the time of such termination to the 2010 Water Bond Service Fund, as required pursuant to Section 5 hereof. Any deficiency in the amounts required to be paid hereunder shall be paid by the County.

Section 10. Reserved.

Section 11. Compensation and Indemnity of Trustee/Escrow Agent. The Trustee/Escrow Agent has agreed to waive its fee for acting under this Escrow Agreement. To the extent permitted by law, the County agrees to indemnify and hold the Trustee/Escrow Agent harmless from and against all claims, suits and actions brought against it, or to which it is made a party, and from all costs, expenses (including reasonable attorneys' fees of counsel reasonably acceptable to the County), losses and damages suffered by it as a result thereof, including the costs and expenses of defending against any such claims, suits or actions, where and to the extent such claim, suit or action arises out of the performance by the Trustee/Escrow Agent of its duties under this Escrow Agreement; provided, however, that such indemnification shall not extend to claims, suits and actions brought against the Trustee/Escrow Agent which result in a judgment being entered, settlement being reached or other disposition made based upon the Trustee/Escrow Agent's gross negligence or willful misconduct. The indemnification provided for in this Escrow Agreement shall never be payable from or become a lien upon the Escrow Fund, which funds shall be held solely for the purpose and subject to the liens set forth in Sections 4 and 5, respectively, hereof. The obligations of the County under this Section 11 shall remain in effect and continue notwithstanding the termination of this Escrow Agreement.

Section 12. Third-Party Beneficiaries and Amendments. The owners of the Refunded Certificates are hereby recognized as third-party beneficiaries of this Escrow Agreement to the extent of their interests in the Escrow Fund, as applicable, as set forth in Sections 4 and 5 hereof.

Section 13. Severability. If any one or more of the provisions of this Escrow Agreement should be determined by a court of competent jurisdiction to be contrary to law, such provision shall be deemed and construed to be severable from the remaining provisions herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

Section 14. Successors and Assigns. All of the covenants and agreements in this Escrow Agreement contained by or on behalf of the County or the Trustee/Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 15. Governing Law. This Escrow Agreement shall be governed by the applicable laws of the State of California.

Section 16. Headings. Any headings preceding the text of the several Sections hereof, and any table of content appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

Section 17. Amendments. The County and the Trustee/Escrow Agent shall not modify this Escrow Agreement without the consent of all of the owners of the Refunded Certificates affected by such modification which have not been paid in full.

Section 18. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[End of Escrow Agreement]

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Agreement to be executed by their duly authorized officers as of the date first above written.

COUNTY OF RIVERSIDE ASSET LEASING
CORPORATION

By _____
Harold Trubo, President

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

By _____
Authorized Officer

[Signature page to Escrow Agreement]