

services specified in the Indenture, but neither failure to receive any such notice nor any defect contained therein shall affect the validity of the proceedings for the redemption of this Bond. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, the interest represented hereby shall cease to accrue from and after the designated redemption date.

The Trustee has no obligation or liability to the registered owners of the Bonds for the payment of the interest or principal or redemption premiums, if any, on the Bonds; but rather the Trustee's sole obligation is to administer, for the benefit of the County, the Authority and the registered owners of the Bonds, the various funds established under the Indenture. The Authority has no obligation or liability whatsoever to the registered owners of the Bonds.

The Indenture provides that the occurrences of certain events constitute Events of Default. Subject to certain limitations and to the rights of the Insurer, if any, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding shall be entitled to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

IN WITNESS WHEREOF, the Riverside County Infrastructure Financing Authority has caused this Series 2015A Bond to be executed in facsimile by its Chairman and by its Secretary all as of October [\_\_], 2015.

RIVERSIDE COUNTY INFRASTRUCTURE  
FINANCING AUTHORITY

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

Attest:

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

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This is one of the Series 2015A Bonds described in the within mentioned Indenture which has been authenticated and registered.

Dated: October [\_\_\_], 2015

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

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

**FORM OF ASSIGNMENT**

For value received, the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ the within Bond and do(es) hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer such Bond on the register of the Trustee, with full power of substitution in the premises.

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

SIGNATURE GUARANTEED BY:

\_\_\_\_\_

\_\_\_\_\_

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

**EXHIBIT C**

**FORM OF REQUISITION FOR FUNDS FROM THE COSTS OF ISSUANCE FUND**

The County of Riverside, a political subdivision duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "County"), hereby states and certifies:

\_\_\_\_\_ that the undersigned is the duly appointed, qualified and acting \_\_\_\_\_ of the County, and as such, is authorized and qualified to certify the same;

that, pursuant the Indenture, dated as of October 1, 2015 (the "Indenture"), by and among the County, the Riverside County Infrastructure Financing Authority and Wells Fargo Bank, National Association, as trustee, (the "Trustee"), the Trustee is hereby requested to disburse from the Cost of Issuance Fund established pursuant to Section 3.04 of the Indenture, to the payees set forth on Exhibit A attached hereto and by this reference incorporated herein, the amount set forth on Exhibit A opposite each such payee, for payment of such costs incurred for the purposes identified on said Exhibit A;

that each obligation has been property incurred and is a proper charge against the Costs of Issuance Fund and has not been the basis of any previous disbursement; and

that a statement or invoice for each amount requested hereunder is attached hereto.

IN WITNESS WHEREOF, the undersigned has executed this requisition as of the date set forth below.

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

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Authorized County Officer

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

Charles C. Wolf, Esq.  
NIXON PEABODY LLP  
555 West Fifth St., 46<sup>th</sup> Floor  
Los Angeles, California 90013

(Space above for Recorder's use)

This document is recorded for the benefit of the County of Riverside and the recording is fee-exempt under Section 6103 of the California Governmental Code.

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**SITE LEASE**

**by and between the**

**COUNTY OF RIVERSIDE**

**and the**

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY**

**Dated as of October 1, 2015**

**relating to the**

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY  
LEASE REVENUE REFUNDING BONDS, SERIES 2015A  
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

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## SITE LEASE

This Site Lease (this "Site Lease"), dated as of October 1, 2015, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (the "County"), and the RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority");

### WITNESSETH:

WHEREAS, the Authority is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of September [15], 2015 (the "Joint Powers Agreement"), by and between the County and the Riverside County Flood Control and Water Conservation District, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and is authorized and empowered pursuant to Article 4 (commencing with Section 6584) of the Act to issue bonds for the purposes of financing and refinancing public capital improvements;

WHEREAS, pursuant to a Trust Agreement, dated as of April 1, 2005, by and among Wells Fargo Bank, National Association, as trustee (the "2005A Trustee"), the County and the County of Riverside Asset Leasing Corporation ("CORAL"), the 2005A Trustee executed and delivered \$51,665,000 aggregate principal amount of County of Riverside Certificates of Participation, 2005 Series A (Capital Improvement and Family Law Court Refunding Projects) (the "2005A Certificates");

WHEREAS, the proceeds of the 2005A Certificates were used to (i) finance the acquisition, construction, installation and delivery of certain capital facilities of the County, and (ii) refund all of the outstanding County of Riverside Certificates of Participation (Family Law Court Project) executed and delivered on March 13, 1997;

WHEREAS, pursuant to a Trust Agreement dated as of April 1, 1997, as supplemented and amended by a First Supplemental Trust Agreement dated as of December 1, 2003 and a Second Supplemental Trust Agreement, dated as of April 1, 2005, by and between The Bank of New York Trust Company, N.A., as trustee (the "2005B Trustee"), and the County, the 2005B Trustee executed and delivered \$22,610,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2005 Series B (Historic Courthouse Refunding) (the "2005B Certificates");

WHEREAS, the proceeds of the 2005B Certificates were used to refund all of the outstanding County of Riverside Certificates of Participation (Historic Courthouse Project) executed and delivered on May 7, 1997;

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2006, by and among Wells Fargo Bank, National Association, as trustee (the "2006 Trustee"), the County and CORAL, the 2006 Trustee executed and delivered \$34,675,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2006 Series A (Capital Improvement

Projects) (the “2006A Certificates,” and together with the 2005A Certificates and the 2005B Certificates, the “Prior Certificates”);

WHEREAS, the proceeds of the 2006A Certificates were used to finance the acquisition, construction, installation and delivery of certain capital facilities of the County;

WHEREAS, the County has now determined that it is in its best interest to refund all of the outstanding Prior Certificates with the proceeds of the Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the “Series 2015A Bonds”), in the aggregate principal amount of \$[\_\_\_\_\_], to be issued under and pursuant to the Indenture, dated as of October 1, 2015 (the “Indenture”), by and among the Authority, the County and Wells Fargo Bank, National Association, as trustee (the “Trustee”);

WHEREAS, pursuant to this Site Lease, the County will lease certain real property and the improvements thereon more particularly described in Exhibit A hereto and made a part hereof (the “Leased Property”), to the Authority;

WHEREAS, concurrently with the execution of this Site Lease, the County and the Authority are entering into a Facility Lease (the “Facility Lease”), dated as of October 1, 2015, whereby the Authority will lease back the Leased Property to the County;

WHEREAS, the Series 2015A Bonds will be secured by the payments to be made by the County pursuant to the Facility Lease;

WHEREAS, the County is authorized by law to lease the Leased Property and the Leased Property is necessary and proper for 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 PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

**Section 1. Leased Property.** The County hereby leases to the Authority and the Authority hereby rents and hires from the County the Leased Property, on the terms and conditions hereinafter set forth. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Facility Lease.

**Section 2. Term.**

(a) The term hereof will commence on the Closing Date and shall end on the Expiry Date (as defined in the Facility Lease) unless such term is sooner terminated or is

extended as hereinafter provided. If prior to the Expiry Date all Base Rental Payments under the Facility Lease shall have been paid, or provision therefor has been made in accordance with Article X of the Indenture, the term hereof shall end simultaneously therewith.

(b) If the Facility Lease is extended beyond the Expiry Date pursuant to the terms thereof, this Site Lease shall also be extended to the day following the date of termination of the Facility Lease.

**Section 3. Rent.** The Authority shall pay to the County an advance rent of \$1, which, together with the execution and delivery of the Facility Lease, shall constitute full consideration for this Site Lease over its term. The Authority 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 Authority of the Leased Property or portion thereof as a result of material damage, destruction or condemnation

**Section 4. Purpose.** The Authority shall use the Leased Property solely for the purpose of subleasing the same to the County; *provided*, that in the event of default by the County under the Facility Lease, the Authority may exercise the remedies provided in the Facility Lease.

**Section 5. Owner in Fee.** The County covenants that it is the owner of the Leased Property free and clear of all liens, claims or encumbrances which affect marketability.

**Section 6. Assignments and Leases.** Unless the County shall be in default under the Facility Lease, the Authority may not, without the prior written consent of the County, assign its rights hereunder or sublet the Leased Property except that the County expressly approves and consents to the assignment and transfer of the Authority's right, title and interest in this Site Lease to the Trustee pursuant to the Assignment Agreement.

**Section 7. Right of Entry.** The County reserves the right for any of its duly authorized representatives to enter upon the Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

**Section 8. Termination.** The Authority agrees, upon the termination hereof, to quit and surrender the Leased Property in the same good order and condition as the same was in at the time of commencement of the terms hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements to the Leased Property at the time of the termination hereof shall remain thereon and title thereto shall vest in the County.

**Section 9. Default.** In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms hereof, which default continues for thirty (30) days following notice and demand for correction thereof to the Authority, the County may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Facility Lease shall be deemed to occur as a result thereof; *provided*, that so long as the Bonds executed and delivered pursuant to the Indenture are Outstanding, the County shall have no power to terminate this Site Lease by reason of any default on the part of



the Authority, if such termination would affect or impair any assignment of the Facility Lease then in effect between the Authority and the Trustee that authenticates and delivers the Bonds.

**Section 10. Quiet Enjoyment.** The Authority at all times during the term hereof shall peaceably and quietly have, hold and enjoy the Leased Property.

**Section 11. Waiver of Personal Liability.** All liabilities hereunder on the part of the Authority shall be solely corporate liabilities of the Authority, and the County hereby releases each and every director, officer and employee of the Authority of and from any personal or individual liability hereunder. No director, officer or employee of the Authority shall at any time or under any circumstances be individually or personally liable hereunder for anything done or omitted to be done by the Authority hereunder.

**Section 12. Eminent Domain.** In the event the whole or any portion of the Leased Property is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid Base Rental Payments payable under the Facility Lease, and the amount of the unpaid Additional Payments due under the Facility Lease, and the balance of the award, if any, shall be paid to the County.

**Section 13. Amendments.** This Site Lease may be amended for the purpose of affecting a Substitution or Removal, as further described in the Facility Lease, and in the manner and under the circumstances described in connection with the amendment of the Facility Lease, as further described in the Facility Lease.

**Section 14. Partial Invalidity.** If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

**Section 15. Notices.** All written notices to be given shall be given by first-class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the County:

County of Riverside  
4080 Lemon Street, Fourth Floor  
Riverside, CA 92501-3651  
Attention: County Finance Director

If to the Authority:

Riverside County Infrastructure Financing Authority  
4080 Lemon Street, Fourth Floor  
Riverside, CA 92501-3651  
Attention: Chair

If to the Trustee:

Wells Fargo Bank, National Association  
333 South Grand Avenue  
Los Angeles, California 90071  
Attention: [\_\_\_\_\_]

**Section 16. Section Headings.** All section headings contained herein are for convenience of reference only and are not intended to define or limit scope of any provision hereof.

**Section 17. Counterparts.** This Site Lease may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute one and the same instrument.

**Section 18. Governing Law.** This Site Lease is made in the State of California under the Constitution and laws of the State of California and is to be so construed.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Site Lease by their officers thereunder duly authorized as of the day and year first written above.

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
County Executive Officer

RIVERSIDE COUNTY INFRASTRUCTURE  
FINANCING AUTHORITY

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

STATE OF CALIFORNIA            )  
  )  
COUNTY OF RIVERSIDE        )        ss.

On \_\_\_\_\_, 2015, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

STATE OF CALIFORNIA            )  
  )  
COUNTY OF RIVERSIDE        )        ss.

On \_\_\_\_\_, 2015, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT A**

**DESCRIPTION OF THE LEASED PROPERTY**

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

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

Charles C. Wolf, Esq.  
NIXON PEABODY LLP  
555 West Fifth St., 46<sup>th</sup> Floor  
Los Angeles, California 90013

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(Space above for Recorder's use)

This document is recorded for the benefit of the County of Riverside and the recording is fee-exempt under Section 6103 of the California Governmental Code.

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**FACILITY LEASE**

by and between the

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY**

and the

**COUNTY OF RIVERSIDE**

**Dated as of October 1, 2015**

relating to the

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY  
LEASE REVENUE REFUNDING BONDS, SERIES 2015A  
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

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## FACILITY LEASE

This Facility Lease (this "Facility Lease"), executed and entered into as of October 1, 2015, by and between the RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), and the COUNTY OF RIVERSIDE, a political subdivision duly organized and existing under the Constitution and laws of the State of California (the "County");

### WITNESSETH:

WHEREAS, the Authority is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of September [15], 2015 (the "Joint Powers Agreement"), by and between the County and the Riverside County Flood Control and Water Conservation District, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and is authorized and empowered pursuant to Article 4 (commencing with Section 6584) of the Act to issue bonds for the purposes of financing and refinancing public capital improvements;

WHEREAS, pursuant to a Trust Agreement, dated as of April 1, 2005, by and among Wells Fargo Bank, National Association, as trustee (the "2005A Trustee"), the County and the County of Riverside Asset Leasing Corporation ("CORAL"), the 2005A Trustee executed and delivered \$51,665,000 aggregate principal amount of County of Riverside Certificates of Participation, 2005 Series A (Capital Improvement and Family Law Court Refunding Projects) (the "2005A Certificates");

WHEREAS, the proceeds of the 2005A Certificates were used to (i) finance the acquisition, construction, installation and delivery of certain capital facilities of the County, and (ii) refund all of the outstanding County of Riverside Certificates of Participation (Family Law Court Project) executed and delivered on March 13, 1997;

WHEREAS, pursuant to a Trust Agreement dated as of April 1, 1997, as supplemented and amended by a First Supplemental Trust Agreement dated as of December 1, 2003 and a Second Supplemental Trust Agreement, dated as of April 1, 2005, by and between The Bank of New York Trust Company, N.A., as trustee (the "2005B Trustee"), and the County, the 2005B Trustee executed and delivered \$22,610,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2005 Series B (Historic Courthouse Refunding) (the "2005B Certificates");

WHEREAS, the proceeds of the 2005B Certificates were used to refund all of the outstanding County of Riverside Certificates of Participation (Historic Courthouse Project) executed and delivered on May 7, 1997;

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2006, by and among Wells Fargo Bank, National Association, as trustee (the "2006 Trustee"), the County and CORAL, the 2006 Trustee executed and delivered \$34,675,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2006 Series A (Capital Improvement

Projects) (the "2006A Certificates," and together with the 2005A Certificates and the 2005B Certificates, the "Prior Certificates");

WHEREAS, the proceeds of the 2006A Certificates were used to finance the acquisition, construction, installation and delivery of certain capital facilities of the County;

WHEREAS, the County has now determined that it is in its best interest to refund all of the outstanding Prior Certificates with the proceeds of the Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the "Series 2015A Bonds"), in the aggregate principal amount of \$[\_\_\_\_\_], issued under and pursuant to the Indenture, dated as of October 1, 2015 (the "Indenture"), by and among the Authority, the County and Wells Fargo Bank, National Association, as trustee (the "Trustee");

WHEREAS, the Series 2015A Bonds will be secured by the payments to be made by the County pursuant to this Facility Lease;

WHEREAS, concurrently with the execution of this Facility Lease, the County and the Authority are entering into a Site Lease (the "Site Lease"), dated as of October 1, 2015, whereby the Authority will lease certain real property and the improvements thereon more particularly described in Exhibit A hereto and made a part hereof (the "Leased Property") from the County;

WHEREAS, the County will then sublease the Leased Property back from the Authority pursuant to this Facility Lease;

WHEREAS, the County is authorized by law to sublease the Leased Property and the Leased Property is necessary and proper for 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 Facility 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 Facility Lease;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY 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 hereof and of any amendment hereof have the meanings defined herein, the following definitions to be equally applicable to both the singular

and plural forms of any of the terms defined herein. All other capitalized terms used herein without definition shall have the meanings as set forth in the Indenture.

Additional Payments

“Additional Payments” means all amounts payable by the County pursuant to Section 5.01(b) hereof.

Assignment Agreement

“Assignment Agreement” means that certain Assignment Agreement executed and entered into as of October 1, 2015, by and between the Authority and the Trustee, as it may from time to time be amended.

Authority

“Authority” means the Riverside County Infrastructure Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California.

Base Rental Payment Date

“Base Rental Payment Date” means 15th day of the month preceding each Interest Payment Date.

Base Rental Payments

“Base Rental Payments” means all amounts payable by the County as base rental pursuant to Section 5.01(a) hereof.

Closing Date

“Closing Date” means the date on which the Bonds are initially delivered to the Underwriter.

Code

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations of the United States Department of the Treasury issued thereunder, and in this regard reference to any particular section of the Code shall include reference to all successors to such section of the Code.

County

“County” means the County of Riverside, a political subdivision duly organized and existing under the Constitution and laws of the State of California.

Expiry Date

“Expiry Date” means [\_\_\_\_\_].

Facility Lease

“Facility Lease” means this Facility Lease, dated as of October 1, 2015, by and between the Authority and the County, as originally executed and entered into and as it may from time to time be amended in accordance herewith.

Fiscal Year

“Fiscal Year” means the fiscal year of the County which, as of the date hereof, is the period from July 1 to and including the following June 30.

Indenture

“Indenture” means that certain Indenture executed and entered into as of October 1, 2015, by and among the Trustee, the County and the Authority, as originally executed and entered into and as it may from time to time be amended or supplemented in accordance therewith.

Insurance Consultant

“Insurance Consultant” means an individual or firm retained by the County as an independent insurance consultant, experienced in the field of risk management.

Insurer

“Insurer” means the issuer or issuers, if any, of a policy or policies of municipal bond insurance obtained by the County to insure the payment of the principal of or interest on a Series of Bonds issued under the Indenture, when due otherwise than by acceleration, and which, in fact, are at any time insuring such Series of Bonds. There is no Insurer with respect to the Series 2015A Bonds.

Leased Property

“Leased Property” means the real property more particularly described in Exhibit A attached hereto (as the same may be changed from time to time by Removal or Substitution), together with the improvements thereon.

Lease Year

“Lease Year” means the period from each November 1 to and including the following October 31 during the term hereof; provided that the initial Lease Year shall commence on the Closing Date and end on October 31, 2016, and the final Lease Year shall terminate on the Expiry Date.

### Opinion of Counsel

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the County.

### Owner

“Owner” means the registered owner of any Outstanding Bond.

### Permitted Encumbrances

“Permitted Encumbrances” means, as of any particular time: (i) liens for general *ad valorem* taxes and assessments, if any, not then delinquent, or which the County may, pursuant to Section 6.02 hereof, permit to remain unpaid; (ii) the Assignment Agreement, as it may be amended from time to time; (iii) this Facility Lease, as it may be amended from time to time; (iv) the Site Lease, as it may be amended from time to time; (v) the Indenture, as it may be amended from time to time; (vi) any right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law; (vii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of recordation of the Facility Lease in the office of the County Recorder of the County of Riverside; (viii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions, all of a non-monetary nature, established following the date of recordation of this Facility Lease and to which the Authority and the County consent in writing and certify to the Trustee will not materially impair the leasehold interests of the Authority or use of the Leased Property by the County; and (ix) subleases and assignments of the County which will not adversely affect the exclusion from gross income of interest on the Series 2015A Bonds.

### Removal

“Removal” means the release of all or a portion of the Leased Property from the leasehold hereof and of the Site Lease as provided in Section 2.06 hereof.

### Site Lease

“Site Lease” means that certain Site Lease, executed and entered into as of June 1, 2015, by and between the County and the Authority, as originally executed and entered into and as it may from time to time be amended in accordance herewith and therewith.

### Substitution

“Substitution” means the release of all or a portion of the Leased Property from the leasehold hereof and of the Site Lease, and the lease of substituted real property and improvements hereunder and under the Site Lease as provided in Section 2.06 hereof.

## Tax Certificate

“Tax Certificate” means the Tax and Nonarbitrage Certificate of the County and the Authority executed on the Closing Date and relating to the Series 2015A Bonds.

## Trustee

“Trustee” means Wells Fargo Bank, National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee acting in its capacity as such under the Indenture, or any successor as therein provided.

The singular form of any word used herein, including the terms defined in this Section 1.01, shall include the plural, and vice versa, unless the context otherwise requires. The use herein of a pronoun of any gender shall include correlative words of the other genders. All references herein to “Sections” and other subdivisions hereof are to the corresponding Sections or subdivisions of this Facility Lease as originally executed; and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Facility Lease as a whole and not to any particular Section or subdivision hereof.

## ARTICLE II

### THE LEASED PROPERTY

**Section 2.01 Lease of the Leased Property.** The Authority hereby leases to the County, and the County hereby rents and hires from the Authority, the Leased Property on the conditions and terms hereinafter set forth. The County hereby agrees and covenants that during the term hereof, except as hereinafter provided, it will use the Leased Property for public purposes so as to afford the public the benefits contemplated hereby and so as to permit the Authority to carry out its agreements and covenants contained herein and in the Indenture, and the County hereby further agrees and covenants that during the term hereof that it will not abandon or vacate the Leased Property.

**Section 2.02 Quiet Enjoyment.** The parties hereto mutually covenant that the County, so long as it observes and performs the agreements, conditions, covenants and terms required to be observed or performed by it contained herein and is not in default hereunder, shall at all times during the term hereof peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Authority.

**Section 2.03 Right of Entry and Inspection.** The Authority shall have the right to enter the Leased Property and inspect the Leased Property during reasonable business hours (and in emergencies at all times) for any purpose connected with the Authority’s rights or obligations hereunder and for all other lawful purposes.

**Section 2.04 Prohibition Against Encumbrance or Sale.** The County and the Authority will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon the Leased Property, except Permitted Encumbrances, and except incident to the execution and delivery of Additional Bonds as contemplated by Section 5.07 hereof. The

County and the Authority will not sell or otherwise dispose of the Leased Property or any property essential to the proper operation of the Leased 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 Leased 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 Authority 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 Leased Property for all purposes shall be first allocated to this Facility 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 Leased Property unless concurrently with granting such remedy the same shall be also granted hereunder by an amendment to this Facility Lease which shall in all instances be prior to and superior to any such assignment, transfer or sublease.

**Section 2.05 Liens.** In the event the County shall at any time during the term hereof cause any improvements to the Leased Property to be constructed or materials to be supplied in or upon or attached to the Leased Property, the County shall pay or cause to be paid when due all sums of money that may become due or purporting to be due for any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the County in, upon, about or relating to the Leased Property and shall keep the Leased Property free of any and all liens against the Leased Property or the Authority's interest therein. In the event any such lien attaches to or is filed against the Leased Property or the Authority's interest therein, and the enforcement thereof is not stayed or if so stayed such stay thereafter expires, the County shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due. If any such lien shall be reduced to final judgment and such judgment or any process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and such stay thereafter expires, the County shall forthwith pay and discharge or cause to be paid and discharged such judgment. The County shall, to the maximum extent permitted by law, indemnify and hold the Authority and its assignee and its directors, officers and employees harmless from, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorneys' fees) as a result of any such lien or claim of lien against the Leased Property or the Authority's interest therein.

**Section 2.06 Substitution or Removal of Leased Property.**

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



(b) No Substitution or Removal shall take place hereunder until the County delivers to the Authority and the Trustee the following:

(1) A Certificate of the County containing a description of all or part of the Leased Property to be released and, in the event of a Substitution, a description of the Substituted Property to be substituted in its place;

(2) A Certificate of the County (A) stating that the annual fair rental value of the Leased Property after a Substitution or Removal, in each year during the remaining term of this Facility Lease, is at least equal to the maximum annual Base Rental Payments payable hereunder following said Substitution or Removal, as determined by the County on the basis of commercially reasonable evidence of the annual fair rental value of the Leased Property after said Substitution or Removal, and (B) demonstrating that the useful life of the Leased Property after Substitution or Removal equals or exceeds the remaining term of this Facility Lease;

(3) An Opinion of Counsel to the effect that the amendments hereto and to the Site Lease contemplating Substitution or Removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the County and the Authority enforceable in accordance with their terms;

(4) (A) In the event of a Substitution, a policy of title insurance in an amount equal to the same proportion of the principal amount as the principal portion of the Base Rental Payments for the Substituted Property bears to the total principal portion of the Base Rental Payments payable hereunder, insuring the County's leasehold interest in the Substituted Property (except any portion thereof which is not real property) subject only to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Trustee for the benefit of the Owners of the Series 2015A Bonds and any Additional Bonds, and (B) in the event of a partial Removal, evidence that the title insurance in effect immediately prior thereto is not adversely affected;

(5) In the event of a Substitution, an opinion of the County Counsel of the County to the effect that the exceptions, if any, contained in the title insurance policy referred to in clause (4) above do not interfere with the beneficial use and occupancy of the Substituted Property described in such policy by the County for the purposes of leasing or using the Substituted Property;

(6) An Opinion of Counsel that the Substitution or Removal does not cause the interest with respect to the Bonds to be includable in gross income of the Owners thereof for federal income tax purposes; and

(7) Evidence that the County has complied with the covenants contained in clauses (1), (2) and (3) of Section 6.03 hereof with respect to the Substituted Property.

## ARTICLE III

### TERM OF THE FACILITY LEASE

**Section 3.01 Commencement of the Facility Lease.** The effective date of this Facility Lease is the Closing Date, and the term of this Facility Lease shall end on the Expiry Date, unless such term is extended or sooner terminated as hereinafter provided. If on the Expiry Date, the rental payable hereunder shall not be fully paid and all Bonds shall not be fully paid and retired, or if the rental payable hereunder shall have been abated at any time and for any reason, then the term of this Facility Lease shall be extended until ten days after the rental payable hereunder shall be fully paid and all Bonds shall be fully paid, except that the term of this Facility Lease shall in no event be extended beyond [\_\_\_\_\_, 20\_\_]. If prior to the Expiry Date, the rental payable hereunder shall be fully paid and all Bonds shall have been fully paid, or deemed fully paid, in accordance with Article X of the Indenture, the term of this Facility Lease shall end ten days thereafter or ten days after written notice by the County to the Authority to the effect that the rental payable hereunder shall be fully paid and all Bonds have been fully paid, whichever is earlier, and this Facility Lease shall thereupon terminate.

## ARTICLE IV

### USE OF PROCEEDS; TAX COVENANTS

**Section 4.01 Use of Proceeds.** The parties hereto agree that the proceeds of the Series 2015A Bonds will be used by the Authority to refund all of the outstanding Prior Certificates, to fund the Reserve Fund and to pay Costs of Issuance and incidental and related expenses.

**Section 4.02 Tax Covenants.**

(a) The County will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Series 2015A Bonds pursuant to Section 103 of the Code, and specifically the County will comply with the provisions of the Tax Certificate and not directly or indirectly use or make any use of the proceeds of the Series 2015A Bonds or any other funds of the County or take or omit to take any action that would cause the Series 2015A Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code or "private activity bonds" subject to federal income taxation by reason of Section 141(a) of the Code or obligations subject to federal income taxation because they are "federally guaranteed" as provided in Section 149(b) of the Code; and to that end the County, with respect to the proceeds of the Series 2015A Bonds and such other funds, will comply with all requirements of such sections of the Code to the extent that such requirements are, at the time, applicable and in effect; *provided* that if the County shall obtain an Opinion of Counsel to the effect that any action required under this section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Series 2015A Bonds pursuant to Section 103 of the Code, the County may rely conclusively on such opinion in complying with the provisions hereof. In the event that at any time the County is of the opinion that for purposes of this section it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee

under the Indenture or otherwise the County shall so instruct the Trustee in writing, and the Trustee shall take such action in accordance with such instructions.

(b) To the ends covenanted in this Section, the County hereby specifically agrees to ensure that the following requirements are met:

(1) The County will not invest or allow to be invested proceeds of the Series 2015A Bonds at a yield in excess of the yield on the Bonds, except to the extent allowed under the Tax Certificate; and

(2) The County will rebate or cause to be rebated any amounts due to the federal government, as provided in the Tax Certificate.

(c) The provisions of this Section shall not apply to any Series of Bonds which the County shall certify to the Trustee is not intended to comply with the requirements of the Code necessary to make interest on such Series of Bonds excludable from gross income for federal income tax purposes.

## ARTICLE V

### RENTAL PAYMENTS

**Section 5.01 Rental Payments.** The County agrees to pay to the Authority, its successors or assigns, without deduction or offset of any kind, as rental for the use and occupancy of the Leased Property, the following amounts at the following times:

(a) Base Rental. Subject to the immediately following sentence, the County shall pay to the Authority rental hereunder as Base Rental Payments for the use and occupancy of the Leased Property for each Lease Year or portion thereof, at the times and in the amounts set forth in the Base Rental Payment Schedule attached hereto as Exhibit B, and made a part hereof. The interest components of the Base Rental Payments shall be paid by the County as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the County hereunder.

If the term of this Facility Lease shall have been extended pursuant to Section 3.01 hereof, Base Rental Payment installments shall continue to be payable on the Base Rental Payment Dates, continuing to and including the date of termination of this Facility Lease. Upon such extension of this Facility Lease, the County shall deliver to the Trustee a Certificate setting forth the extended rental payment schedule, which schedule shall establish the Base Rental Payments at an amount sufficient to pay all unpaid principal and interest on the Series 2015A Bonds.

(b) Additional Payments. The County shall also pay in addition to the Base Rental Payments, to the Authority or the Trustee, as hereinafter provided, such amounts ("Additional Payments") in each year as follows:

(i) All taxes and assessments of any type or character charged to the Authority or to the Trustee affecting the amount available to the Authority

or the Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby but excluding franchise taxes based upon the capital and/or income of the Trustee and taxes based upon or measured by the net income of the Trustee; provided, however, that the County shall have the right to protest any such taxes or assessments and to require the Authority or the Trustee, at the County's expense, to protest and contest any such taxes or assessments levied upon them and that the County shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Authority or the Trustee;

(ii) All reasonable fees, charges and expenses of the Trustee for services rendered under the Indenture as provided in Section 8.03 of the Indenture, as and when the same become due and payable;

(iii) The reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Facility Lease, the Site Lease or the Indenture; and

(iv) The reasonable fees and expenses of the Authority or any agent or attorney selected by the Authority to act on its behalf in connection with this Facility Lease, the Site Lease, the Series 2015A Bonds or the Indenture, including, without limitation, any and all reasonable expenses incurred in connection with the authorization, issuance, sale and delivery of any such Series 2015A Bonds or in connection with any litigation, investigation or other proceeding which may at any time be instituted involving this Facility Lease, the Site Lease, the Series 2015A Bonds or the Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the County, the Leased Property, its properties, assets or operations or otherwise in connection with the administration of this Facility Lease, the Site Lease, the Series 2015A Bonds or the Indenture.

Such Additional Payments shall be billed to the County by the Authority or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by the Authority or the Trustee for one or more of the above items. After such a demand, amounts so billed shall be paid by the County within thirty (30) days after receipt of the bill by the County.

(c) Consideration.

(i) Such payments of Base Rental Payments for each Lease Year or portion thereof during the term of this Facility Lease shall constitute, together with the Additional Payments, the total amount due for such Lease Year or portion thereof and shall be paid or payable by the County for and in consideration of the right of the use and possession of, and the continued quiet use

and enjoyment of, the Leased Property. On the Closing Date, the County shall deliver a certificate to the Authority and the Trustee, which shall set forth the annual fair rental value of the Leased Property. The parties hereto have agreed and determined that the annual fair rental value of the Leased Property is not less than the maximum Base Rental Payments payable hereunder in any year. In making such determinations of annual fair rental value, consideration has been given to a variety of factors including the replacement costs of the existing improvements on the Leased Property, other obligations of the parties under this Facility Lease, the uses and purposes which may be served by the improvements on the Leased Property and the benefits therefrom which will accrue to the County and the general public.

(ii) The parties hereto hereby acknowledge that the parties hereto may amend this Facility Lease from time to time to increase the Base Rental Payments payable hereunder so that Additional Bonds may be executed, authenticated and issued pursuant to Section 5.07 hereof and Sections 2.11 and 2.12 of the Indenture. The proceeds of such Additional Bonds shall be used for any lawful purpose. Notwithstanding anything to the contrary herein contained, this Facility Lease may not be amended in a manner such that the sum of Base Rental Payments, including Base Rental Payments payable pursuant to such amendment, in any year is in excess of the annual fair rental value of the Leased Property and other land and improvements leased to the County hereunder.

(d) Payment; Credit. Each installment of Base Rental Payments payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Authority at the designated corporate trust office of the Trustee in Los Angeles, California, or such other place as the Authority shall designate. Any such installment of rental accruing hereunder which shall not be paid when due shall remain due and payable until received by the Trustee, except as provided in Section 5.04 hereof, and to the extent permitted by law shall bear interest at the rate of ten percent per annum from the date when the same is due hereunder until the same shall be paid. Notwithstanding any dispute between the County and the Authority or between the County and the Trustee, the County shall make all rental payments when due, without deduction or offset of any kind, and shall not withhold any rental payments pending the final resolution of any such dispute. In the event of a determination that the County was not liable for said rental payments or any portion thereof, said payments or excess of payments, as the case may be, shall, at the option of the County, be credited against subsequent rental payments due hereunder or be refunded at the time of such determination. Amounts required to be deposited by the County with the Trustee pursuant to this Section 5.01(d) on any date shall be reduced to the extent of available amounts on deposit on such date in the Revenue Fund, the Interest Fund or the Principal Fund. Any payment scheduled to be made on a date which is not a Business Day shall be made on the next succeeding Business Day.

**Section 5.02 Annual Budgets; Reporting Requirements.** The County covenants to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under this Facility Lease in its operating budget for each Fiscal Year

commencing after the date hereof (an "Operating Budget") and to make all necessary appropriations for such Base Rental Payments and Additional Payments.

**Section 5.03 Application of Rental Payments.** All Base Rental Payments received shall be applied first to the interest components of the Base Rental Payments due hereunder, then to the principal components (including any prepayment premium components) of the Base Rental Payments due hereunder and thereafter to all Additional Payments due hereunder, but no such application of any payments which are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

**Section 5.04 Rental Abatement.** Except to the extent of (a) amounts held by the Trustee in the Revenue Fund or in the 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, condemnation, or other reason there is substantial interference with the use and possession by the County of any portion of the Leased Property, rental payments due hereunder with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments, in which case rental payments shall be abated only by an amount equal to the difference. In the event the County shall assign, transfer or sublease any or all of the Leased Property or other rights hereunder, as permitted by Section 2.04 hereof, for purposes of determining the annual fair rental value available to pay Base Rental Payments, annual fair rental value of the Leased Property shall first be allocated to this Facility Lease as provided in clause (d) of Section 2.04 hereof. Any abatement of rental payments pursuant to this Section shall not be considered an Event of Default as defined in Article X hereof. The County waives the benefits of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate this Facility Lease by virtue of any such interference and this Facility 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 Leased Property so damaged, destroyed, defective or condemned.

In the event that rental is abated, in whole or in part, pursuant to this Section due to damage, destruction, title defect or condemnation of any part of the Leased Property and the County is unable to repair, replace or rebuild the Leased 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 Leased Property.

**Section 5.05 Prepayment of Rental Payments.** The County may prepay, from eminent domain proceeds or net insurance proceeds received by it pursuant to Section 7.01 hereof, all or any portion of the components of Base Rental Payments payable hereunder relating to any portion of the Leased Property then unpaid, in whole on any date, or in part on any date in integral multiples of an Authorized Denomination so that the aggregate annual amounts of principal components of Base Rental Payments payable under this Facility Lease represented by the Series 2015A Bonds and any Additional Bonds which shall be payable after such prepayment date shall each be in an integral multiple of an Authorized Denomination and shall be as nearly

proportional as practicable to the aggregate annual amounts of principal components of Base Rental Payments payable under this Facility Lease represented by the Series 2015A Bonds and any Additional Bonds.

The County may prepay, from any source of available moneys pursuant to Section 4.01(b) of the Indenture, all or any part (in an integral multiple of an Authorized Denomination) of the principal components of Base Rental Payments payable under this Facility Lease then unpaid so that the aggregate annual amounts of principal components of Base Rental Payments under this Facility Lease which shall be payable after such prepayment date shall be as nearly proportional as practicable to the aggregate annual amounts of principal components represented by the Series 2015A Bonds and any Additional Bonds unpaid prior to the prepayment date, at a prepayment amount equal to the principal component prepaid plus accrued interest thereon to the date of prepayment plus any applicable premium.

Before making any prepayment pursuant to this Section, at least [45] days before the prepayment date the County shall give written notice to the Authority and the Trustee describing such event, specifying the order of Principal Payment 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 Authority and the Trustee.

**Section 5.06 Obligation to Make Rental Payments.** The agreements and covenants on the part of the County contained herein 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 officials to enable the County to carry out and perform the agreements and covenants contained herein agreed to be carried out and performed by the County.

THE OBLIGATION OF THE COUNTY TO MAKE BASE RENTAL PAYMENTS AND TO PAY ADDITIONAL RENT DOES NOT CONSTITUTE AN OBLIGATION OF THE COUNTY 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 SERIES 2015A BONDS NOR THE OBLIGATION TO MAKE RENTAL PAYMENTS AND TO PAY ADDITIONAL RENT CONSTITUTES AN INDEBTEDNESS OF THE COUNTY, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

**Section 5.07 Additional Bonds.** In addition to the Series 2015A Bonds to be executed, authenticated and issued under the Indenture the County and the Authority may, from time to time, but only upon satisfaction of the conditions to the issuance of Additional Bonds set forth in Sections 2.11 and 2.12 of the Indenture, enter into a Supplemental Indenture to issue Additional Bonds on a parity with the Series 2015A Bonds and any previously executed, authenticated and issued Additional Bonds (unless otherwise provided in the related Supplemental Indenture), the proceeds of which may be used for any lawful purpose by the County, as provided in the Supplemental Indenture; *provided* that prior to or concurrently with the execution and delivery of the Additional Bonds, the County and the Authority shall have

entered into an amendment to this Facility Lease, providing for an increase in the Base Rental Payments to be made hereunder subject to the limitations set forth in Section 5.01(c)(ii) hereof.

## ARTICLE VI

### MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES

**Section 6.01 Maintenance of the Leased Property by the County.** The County agrees that, at all times during the term hereof, it will, at its own cost and expense, maintain, preserve and keep, or cause to be maintained, preserved and kept, the Leased Property and every portion thereof in good repair, working order and condition and that it will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. The Authority shall have no responsibility in any of these matters or for the making of additions or improvements to the Leased Property.

**Section 6.02 Taxes, Other Governmental Charges and Utility Charges.** The parties hereto contemplate that the Leased Property will be used for public purposes by the County and, therefore, that the Leased Property will be exempt from all taxes presently assessed and levied with respect to real and personal property, respectively. In the event that the use, possession or acquisition by the County or the Authority of the Leased Property is found to be subject to taxation in any form, the County will pay during the term hereof, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property and any other property acquired by the County in substitution for, as a renewal or replacement of, or a modification, improvement or addition to, the Leased Property, as well as all gas, water, steam, electricity, heat, power, air conditioning, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Leased Property; *provided*, that with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are accrued during such time as this Facility Lease is in effect.

**Section 6.03 Insurance.** The County shall secure and maintain or cause to be secured and maintained at all time with insurers of recognized responsibility all coverage on the Leased Property required by this Section. Such insurance shall consist of:

- (1) A policy or policies of insurance against loss or damage to the Leased Property known as "all risk," including flood, but excluding earthquake, which shall be maintained at any time in an amount per occurrence at least equal to the lesser of (i) the cumulative replacement values of the Leased Property and, in the case of a policy covering more than the Leased Property, as permitted by the next succeeding sentence, any other property which is the subject of a lease, installment purchase agreement or other financing arrangement for which bonds, certificates of participation or other obligations shall have been issued ("Obligations") or (ii) the aggregate amount of the principal component of the then-remaining Base Rental Payments payable hereunder; *provided* that the amount of coverage required by this sentence may be reduced to a smaller amount if an Insurance Consultant retained by the County provides written advice



to the Trustee that, based upon its evaluation of the County's maximum foreseeable loss in the event of a major conflagration, windstorm, explosion, riot, flood or similar event, a specified smaller amount is believed to be reasonable given the nature of the risks insured and the proximity of the insured properties to each other. Such insurance may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property leased or owned by the County which may be limited in an amount per occurrence in the aggregate to the amount required by the preceding sentence. Such insurance may at any time include a deductible clause providing for a deductible not to exceed \$100,000 for any one loss (except for flood, in which case the deductible may not exceed \$250,000 for any one loss). The County may obtain such coverage as a joint insured with one or more other public agencies located within or outside of the County which may be limited in an amount per occurrence in the aggregate for all insureds as described in the first sentence of this paragraph (1) and which may be limited in a cumulative amount of claims during a 12-month period in the aggregate for all insureds in an amount not less than \$500,000,000. Otherwise conforming policies satisfying the requirements of this paragraph (1) may provide that amounts payable as coverage for rental interruption under this paragraph (1) may be reduced by amounts payable under paragraph (3) below for the same occurrence, and vice versa. The County is, however, under no obligation to provide insurance against loss or damage occasioned by the perils of earthquake.

(2) In the event that such coverage is not included in paragraph (1) above, 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 Property in an amount not less than \$75,000,000 per accident; *provided, however*, that the amount of coverage required by this sentence may be reduced to a smaller amount if an Insurance Consultant retained by the County provides written advice to the Trustee that, based upon its evaluation of the County's maximum foreseeable loss in the event of loss or damage by steam boilers, pressure vessels and similar apparatus now or hereafter installed on the Leased Property, a specified smaller amount is believed to be reasonable. Such insurance may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property leased or owned by the County which may be limited in amount to \$75,000,000 per accident. Such insurance may at any time include a deductible clause providing for a deductible not to exceed \$100,000 for any one loss. The County may obtain such coverage as a joint insured with one or more public agencies located within or without the County which may be limited in amount to \$75,000,000 per accident. Otherwise conforming policies satisfying the requirements of this paragraph (2) may provide that amounts payable as coverage for rental interruption under this paragraph (2) may be reduced by amounts payable under paragraph (3) below for the same occurrence, and vice versa.

(3) So long as any Bonds are Outstanding, rental interruption insurance to cover loss, total or partial, of the use of any part of the Leased Property as a result of any of the hazards covered by the insurance required pursuant to paragraph (1) or (2) above, as the case may be, in an amount sufficient at all times to pay the total rent payable under this Facility Lease for a period of not less than two years' Base Rental Payments for the Leased Property; *provided* that such rental interruption insurance may

be included in the policy or policies provided pursuant to paragraph (1) or (2) above without increasing the aggregate limits for coverage with respect to any hazard covered thereby. Such insurance also may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property leased or owned by the County. The County also may obtain an otherwise conforming policy required by this paragraph (3) as a joint insured with one or more other public agencies within or without the County which may, with respect to any hazard, be limited in aggregate amount for all insureds to the amount of the policy or policies required pursuant to paragraph (1) or (2) above, as the case may be, which insures against such hazard. Otherwise conforming policies satisfying the requirements of this paragraph (3) may provide that amounts payable as coverage under this paragraph (3) may be reduced by amounts payable for rental interruption under paragraph (1) or (2) above, as the case may be, for the same occurrence, and vice versa.

The County shall collect, adjust and receive all moneys which may become due and payable under any policies contemplated by paragraphs (1) and (2) above, and, may compromise any and all claims thereunder and shall transfer the net proceeds of such insurance as provided herein or in the Indenture. The Trustee shall not be responsible for the sufficiency of any insurance herein required. The Trustee shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the County.

Any insurance policy issued pursuant to paragraph (1) or (2) above shall be so written or endorsed as to make losses, if any, payable to the County, the Authority and the Trustee as their respective interests may appear and the net proceeds of the insurance required by paragraphs (1) or (2) above shall be applied as provided in Section 7.01 hereof. The net proceeds, if any, of the insurance policy described in paragraphs (1) and (2) above shall be payable to the County for deposit in the Insurance Proceeds and Condemnation Awards Fund. The net proceeds, if any, of the insurance policy described in paragraph (3) above shall be payable to the Trustee and deposited in the Revenue Fund. Each insurance policy provided for in this Section shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interests of the Authority or the Trustee without first giving written notice thereof to the Authority and the Trustee at least 30 days in advance of such intended cancellation or modification.

The County shall file a Certificate of the County with the Trustee and the Insurer not later than January 31 of each year certifying that the insurance policies required by this Section are in full force and effect and that the Authority and/or the Trustee is named as a loss payee on each insurance policy which this Facility Lease requires to be so endorsed. The County will provide the Insurer with copies of such insurance policies upon request. The Trustee shall have no responsibility whatsoever for determining the adequacy of any insurance required hereunder.

**Section 6.04 Advances.** In the event the County shall fail to maintain the full insurance coverage required hereby or shall fail to keep the Leased Property in good repair and operating condition, the Authority may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or

replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by the Authority shall become Additional Payments, which amounts the County agrees to pay within 30 days of a written request therefor, together with interest thereon at the maximum rate allowed by law.

**Section 6.05 Title Insurance.** The County covenants and agrees to deliver or cause to be delivered to the Trustee on the Closing Date a CLTA leasehold owner's policy or policies, or a commitment for such policy or policies, with respect to the Leased Property with liability in the aggregate amount equal to the principal component of all Base Rental Payments payable hereunder. Such policy or policies, when issued, shall name the Trustee as the insured and shall insure the leasehold estate of the County in the Leased Property subject only to Permitted Encumbrances.

## ARTICLE VII

### DAMAGE, DESTRUCTION, TITLE DEFECT AND CONDEMNATION

**Section 7.01 Damage, Destruction, Title Defect and Condemnation; Use of Net Proceeds.** If prior to the termination of the term hereof (a) the Leased Property or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (b) title to, or the temporary use of, the Leased Property or any portion thereof or the estate of the County or the Authority in the Leased Property or any portion thereof is defective or shall be taken under the exercise of the power of eminent domain by any governmental body or by any person or firm or Authority acting under governmental authority, then the County and the Authority will cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification, improvement or replacement of the damaged, destroyed, defective or condemned portion of the Leased Property, and any balance of the net proceeds remaining after such work has been completed shall be paid to the County; *provided* that the County, at its option and provided the proceeds of such insurance or condemnation award together with any other moneys then available for such purpose are at least sufficient to prepay the aggregate annual amounts of principal and interest components of the Base Rental Payments due hereunder attributable to the portion of the Leased Property so destroyed, damaged, defective or condemned (determined by reference to the proportion which the annual fair rental value of the destroyed, damaged, defective or condemned portion thereof bears to the annual fair rental value of the Leased Property), may elect not to repair, reconstruct or replace the damaged, destroyed, defective or condemned portion of the Leased Property and thereupon shall cause said proceeds to be used for the prepayment of Outstanding Bonds pursuant to the provisions of Section 4.01(a) of the Indenture. Notwithstanding any other provision herein, the County shall only prepay less than all of the principal component of the then-remaining Base Rental Payments if the annual fair rental value of the Leased Property after such damage, destruction, title defect or condemnation is at least equal to the aggregate annual amount of the principal and interest components of the Base Rental Payments not being prepaid.

In the event that the proceeds, if any, of said insurance or condemnation award are insufficient either to (i) repair, rebuild or replace the Leased Property so that the fair rental value of the Leased Property would be at least equal to the Base Rental Payments or (ii) to redeem all the Outstanding Bonds, both as provided in the preceding paragraph, then the County may, in its

sole discretion, budget and appropriate an amount necessary to effect such repair, rebuilding or replacement or redemption; *provided* that the failure of the County to so budget and/or appropriate shall not be a breach of or default under this Facility Lease.

## ARTICLE VIII

### DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE LEASED PROPERTY

**Section 8.01 Disclaimer of Warranties.** NEITHER THE TRUSTEE NOR THE AUTHORITY MAKES ANY AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY, OR WARRANTY WITH RESPECT THERETO. THE COUNTY ACKNOWLEDGES THAT NEITHER THE TRUSTEE NOR THE AUTHORITY IS A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE COUNTY LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE COUNTY. In no event shall the Authority or the Trustee be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Facility Lease or the existence, furnishing, functioning or the County's use of the Leased Property as provided hereby.

**Section 8.02 Use of the Leased Property; Improvements.** The County will not use, operate or maintain the Leased Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. The County shall provide all permits and licenses, if any, necessary for the use of the Leased Property. In addition, the County agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each portion of the Leased Property) with all laws of the jurisdictions in which its operations involving any portion of the Leased Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Leased Property; *provided* that the County may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the County adversely affect the estate of the Authority in and to the Leased Property or its interest or rights hereunder.

## ARTICLE IX

### ASSIGNMENT; INDEMNIFICATION; NON-LIABILITY

**Section 9.01 Assignment by Authority.** The parties understand that certain of the rights of the Authority hereunder and under the Site Lease will be assigned to the Trustee pursuant to the Assignment Agreement, and accordingly the County agrees to make all payments due hereunder to the Trustee, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach hereof or otherwise) that the County may from time to time have against the Authority. The County agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, which may be reasonably

requested by the Authority or the Trustee to protect their interests in the Leased Property during the term hereof.

**Section 9.02 Assignment by County.** This Facility Lease and the interest of the County in the Leased Property may not be assigned or encumbered by the County except as permitted by Section 2.04 hereof.

**Section 9.03 Indemnification.** The County shall, to the full extent then permitted by law, indemnify, protect, hold harmless, save and keep harmless the Authority and the Trustee and their respective directors, officers and employees from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the issuance of the Bonds, the entering into of this Facility Lease, the use of the Leased Property and each portion thereof or any accident in connection with the operation, use, condition or possession of the Leased Property or any portion thereof resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the County or the Authority; any claim arising out of the use, presence, storage, disposal or release of any Hazardous Substances on or about the Leased Property; any claim for patent, trademark or copyright infringement; and any claim arising out of strict liability in tort. The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations hereunder or the termination hereof for any reason. The County the Trustee and the Authority mutually agree to promptly give notice to each other of any claim or liability hereby indemnified against following the learning thereof by such party.

**Section 9.04 Non-Liability of the Authority.** The Authority shall not be obligated to pay the principal (or redemption price) of or interest on the Series 2015A Bonds, except from Revenues and other moneys and assets received by the Trustee pursuant to this Facility Lease. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof, nor the faith and credit of the Authority or any member is pledged to the payment of the principal (or redemption price) or interest on the Series 2015A Bonds. The Authority shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Facility Lease, the Series 2015A Bonds or the Indenture, except only to the extent amounts are received for the payment thereof from the County under this Facility Lease.

The County hereby acknowledges that the Authority's sole source of moneys to repay the Series 2015A Bonds will be provided by the payments made by the County to the Trustee pursuant to this Facility Lease, together with investment income on certain funds and accounts held by the Trustee under the Indenture, and hereby agrees that if the payments to be made hereunder shall ever prove insufficient to pay all principal (or redemption price) and interest on the Series 2015A Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the County shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or redemption price) or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the

County, the Authority or any third party, subject to any right of reimbursement from the Trustee, the Authority or any such third party, as the case may be, therefor.

**Section 9.05 Waiver of Personal Liability.** No member, officer, agent or employee of the Authority or any director, officer, agent or employee of the County shall be individually or personally liable for the payment of any principal (or redemption price) or interest on the Series 2015A Bonds or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Facility Lease; but nothing herein contained shall relieve any such member, director, officer, agent or employee from the performance of any official duty provided by law or by this Facility Lease.

## ARTICLE X

### DEFAULT

#### **Section 10.01 Default.**

(a) The following events shall be “Events of Default” under this Facility Lease and the terms “Event of Default” and “Default” shall mean, whenever they are used in this Facility Lease, any one or more of the following events:

(1) The County shall fail to deposit with the Trustee any Base Rental Payment required to be so deposited by the close of business on the day such deposit is required pursuant to Section 5.01(a) hereof, *provided* that the failure to deposit any Base Rental Payments abated pursuant to Section 5.04 hereof shall not constitute an Event of Default;

(2) The County shall fail to pay any item of Additional Payments when the same shall become due and payable pursuant to Section 5.01(b) hereof; or

(3) The County shall breach any other terms, covenants or conditions contained herein or in the Indenture, and shall fail to remedy any such breach with all reasonable dispatch within a period of 30 days after written notice thereof from the Authority to the County; *provided, however*, that if the failure stated in the notice cannot be corrected within such period, then the Authority shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the County within such period and is diligently pursued until the default is corrected.

(b) Upon the happening of any of the Events of Default specified in Section 10.01(a) or (e) hereof, it shall be lawful for the Authority or its assignee, subject to the terms of this Facility Lease, to exercise any and all remedies available or granted to it pursuant to law or hereunder.

(c) If the Authority does not elect to terminate this Facility Lease in the manner hereinafter provided for in subparagraph (d) hereof, the County agrees to and shall remain liable for the payment of all Base Rental Payments and the performance of all conditions herein contained and shall reimburse the Authority for any deficiency arising out of the releasing of the Leased Property or, in the event the Authority is unable to re-lease the Leased

Property, then for the full amount of all Base Rental Payments to the end of the term of this Facility Lease, but said Base Rental Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Base Rental Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of obtaining possession of the Leased Property or exercise of any other remedy by the Authority. The County hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the County to obtain possession and re-lease the Leased Property in the event of default by the County in the performance of any covenants herein contained to be performed by the County and to remove all personal property whatsoever situated upon the Leased Property and to place such property in storage or other suitable place in the County of Riverside, for the account of and at the expense of the County, and the County hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such possession and re-leasing of the Leased Property and the removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The County hereby waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Leased Property as herein provided and all claims for damages that may result from the destruction of or injury to the Leased Property and all claims for damages to or loss of any property belonging to the County that may be in or upon the Leased Property. The County agrees that the terms of this Facility Lease constitute full and sufficient notice of the right of the Authority to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Facility Lease, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Facility Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the County the right to terminate this Agreement shall vest in the Authority to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (d) hereof. The County further waives the right to any rental obtained by the Authority in excess of the Base Rental Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its service in re-leasing the Leased Property.

(d) In any Event of Default hereunder, the Authority at its option may terminate this Facility Lease and re-lease all or any portion of the Leased Property. In the event of the termination of this Facility Lease by the Authority at its option and in the manner hereinafter provided on account of default by the County (and notwithstanding any re-entry upon the Leased Property by the Authority in any manner whatsoever or the re-leasing of the Leased Property), the County nevertheless agrees to pay to the Authority all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Base Rental Payments. Any surplus received by the Authority from such re-leasing shall be the absolute property of the Authority and the County shall have no right thereto, nor shall the County be entitled to apply any surplus as a credit in the event of a subsequent deficiency in the rentals received by the Authority from the Leased Property. Neither notice to pay rent or to deliver up possession of the Leased Property given pursuant to law nor any proceeding taken by the Authority shall of itself operate to terminate this Facility Lease, and shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written notice to the County of the election on the part of the Authority to terminate this Facility Lease. The County covenants and agrees that no surrender of

the Leased Property or of the remainder of the term hereof or any termination of this Facility Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

(e) In addition to any Event of Default resulting from breach by the County of any agreement, condition, covenant or term hereof, if the County's interest herein or any part thereof be assigned, sublet or transferred without the written consent of the Authority (except as otherwise permitted by Section 2.04 hereof), either voluntarily or by operation of law; or the County or any assignee shall file any petition or institute any proceedings under any act or acts, state or federal, dealing with or relating to the subject of bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent or as a debtor or in any similar capacity, wherein or whereby the County asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or extension of time to pay its debts, or asks, seeks or prays for a reorganization or to effect a plan of reorganization or for a readjustment of its debts or for any other similar relief, or if the County shall make a general or any assignment for the benefit of its creditors; or the County shall abandon or vacate the Leased Property or any portion thereof (except as permitted by Section 2.04 hereof); then in each and every such case the County shall be deemed to be in default hereunder.

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

(g) Neither the County nor the Authority shall be in default in the performance of any of its obligations hereunder (except for the obligation to make Base Rental Payments pursuant to Section 5.01 hereof) unless and until it shall have failed to perform such obligation within 30 days after notice by the County or the Authority, as the case may be, to the other party properly specifying wherein it has failed to perform such obligation.

## ARTICLE XI

### MISCELLANEOUS

**Section 11.01 Notices.** All written notices to be given hereunder shall be given by first-class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Authority:

Riverside County Infrastructure Financing Authority  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501-3651  
Attention: Chair



If to the County:

County of Riverside  
4080 Lemon Street, 4th Floor  
Riverside, CA 92501-3651  
Attention: County Finance Director

If to the Trustee:

Wells Fargo Bank, National Association  
333 South Grand Avenue  
Los Angeles, California 90071  
Attention: [\_\_\_\_\_]

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

**Section 11.03 Trustee as Third Party Beneficiary.** The Trustee is hereby designated a third party beneficiary hereunder for the purpose of enforcing any of the rights hereunder assigned to the Trustee under the Assignment Agreement.

**Section 11.04 Net Lease.** It is the purpose and intent of the Authority and the County that lease payments hereunder shall be absolutely net to the Authority so that this Facility Lease shall yield to the Authority the lease payments, free of any charges, assessments or impositions of any kind charged, assessed or imposed on or against the Leased Property, and without counterclaim, deduction, defense, deferment or set-off by the County except as herein specifically otherwise provided. The Authority shall not be expected or required to pay any such charge, assessment or imposition, or be under any obligation or liability hereunder except as herein expressly set forth, and all costs, expenses and obligations of any kind relating to the maintenance and operation of the Leased Property which may arise or become due during the term of this Facility Lease shall be paid by the County.

**Section 11.05 Amendments.** This Facility Lease may be amended in writing as may be mutually agreed by the Authority 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 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 so affected, or (b) reduce the percentage of the principal amount of the Bonds Outstanding the consent of the Owners of which is required for the execution of any amendment hereof.

This Facility Lease and the rights and obligations of the Authority and the County hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution without the written consents of

any Owners, but only to the extent permitted by law and only for any one or more of the following purposes:

(a) to add to the agreements, conditions, covenants and terms required by the Authority or the County to be observed or performed herein and other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the County, or to surrender any right or power reserved herein to or conferred herein on the Authority or the County, 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 Authority or the County may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the interests of the Owners;

(c) to effect a Substitution or Removal in accordance with Section 2.06 hereof;

(d) to facilitate the issuance of Additional Bonds as provided in Section 5.07 hereof; or

(e) to make any other addition, amendment or deletion which does not materially adversely affect the interests of the Owners or the Insurer.

**Section 11.06 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 shall be deemed to have been paid by virtue of a deposit of Base Rental Payments hereunder pursuant to Section 10.01(b) 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 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(b) 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 Authority and the Trustee specified in the third paragraph of Section 5.05 hereof shall not apply incident to the payment to the Owners of all Outstanding Bonds in accordance with Section 10.01, including Section 10.01(b), of the Indenture.

**Section 11.07 Partial Invalidity.** If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of this Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

**Section 11.08 California Law.** This Facility Lease shall be governed by and construed and interpreted in accordance with the laws of the State of California.

**Section 11.09 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 hereof.

**Section 11.10 Execution.** This Facility Lease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Facility Lease by their officers thereunto duly authorized as of the day and year first written above.

RIVERSIDE COUNTY INFRASTRUCTURE  
FINANCING AUTHORITY

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

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
County Executive Officer



STATE OF CALIFORNIA            )  
  )  
COUNTY OF RIVERSIDE        )        ss.

On \_\_\_\_\_, 2015, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT A**

**DESCRIPTION OF THE LEASED 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 conveyed by the Facility Lease, dated as of October 1, 2015, by and between the Riverside County Infrastructure Financing Authority (the "Authority") and the County of Riverside (the "County"), from the Authority to the County, is hereby accepted by the undersigned on behalf of the County pursuant to authority conferred by resolution of the Board of Supervisors of the County adopted on September 22, 2015, and the County consents to recordation thereof by its duly authorized officer.

Dated as of [\_\_\_\_\_] , 2015

**COUNTY OF RIVERSIDE**

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

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Charles C. Wolf, Esq.  
NIXON PEABODY LLP  
555 West Fifth St., 46<sup>th</sup> Floor  
Los Angeles, California 90013

(Space above for Recorder's use)

This transaction is exempt from California documentary transfer tax pursuant to Section 11929 of the California Revenue and Taxation Code. This document is recorded for the benefit of the County of Riverside and the recording is fee-exempt under Section 6103 of the California Government Code.

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**ASSIGNMENT AGREEMENT**

**by and between the**

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY**

**and**

**WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Trustee**

**Dated as of October 1, 2015**

**relating to the**

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY  
LEASE REVENUE REFUNDING BONDS, SERIES 2015A  
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

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## ASSIGNMENT AGREEMENT

This ASSIGNMENT AGREEMENT (the "Assignment Agreement"), executed and entered into as of October 1, 2015, by and between the RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY (the "Authority"), a joint powers authority duly organized and existing under and pursuant to California Government Code Sections 6500 et seq. and WELLS FARGO BANK, NATIONAL ASSOCIATION (the "Trustee"), a banking association existing under and by virtue of the laws of the United States, as trustee under the Indenture (as hereinafter defined);

### WITNESSETH:

**WHEREAS**, the Authority and the County of Riverside (the "County") have executed and entered into the Site Lease\*, dated as of October 1, 2015 (the "Site Lease"), pursuant to which the County has leased that certain real property, as more particularly described in the Site Lease and the Facility Lease (as defined below) (the "Leased Property") to the Authority, as described in Exhibit A attached hereto and incorporated herein;

**WHEREAS**, the Authority and the County have executed and entered into the Facility Lease\*, dated as of October 1, 2015 (the "Facility Lease"), pursuant to which the Authority has leased the Leased Property to the County, as described in Exhibit A;

**WHEREAS**, under and pursuant to the Facility Lease, the County is obligated to make rental payments to the Authority for the lease of the Leased Property to it;

**WHEREAS**, the Authority desires to assign without recourse all its rights to receive the Base Rental Payments (as defined in the Facility Lease) and certain other payments scheduled to be paid by the County under and pursuant to the Facility Lease to the Trustee;

**WHEREAS**, in consideration of such assignment and the execution and entering into of an Indenture (the "Indenture"), dated as of October 1, 2015, by and among the Trustee, the Authority and the County, the Authority has agreed to issue its Lease Revenue Refunding Bonds, Series 2015A (Capital Improvements Projects Refunding) in an aggregate principal amount of \$[\_\_\_\_\_] (the "Bonds"); 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 Assignment Agreement 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 Assignment Agreement;

**NOW, THEREFORE**, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR

---

\* Recorded concurrently herewith.

OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

**SECTION 1. Assignment.** The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby unconditionally grant, transfer and assign to the Trustee without recourse (i) all its rights to receive Revenues (as defined in the Indenture) under and pursuant to the Facility Lease, (ii) the right to take all actions under the Site Lease and the Facility Lease, (iii) the right of access more particularly described in the Site Lease and the Facility Lease, and (iv) any and all other rights and remedies of the Authority in the Site Lease, as lessee thereunder, and in the Facility Lease, as lessor thereunder; *provided* such assignment shall not include any of the Authority's rights to indemnification and payment or reimbursement for any costs or expenses under the Facility Lease, including without limitation, those rights specified in Section 5.01(b) and Section 9.03 of the Facility Lease; *and provided further* that so long as no default in payment of Base Rental Payments under the Facility Lease shall have occurred or be continuing, the Authority shall have and may exercise all rights of the Authority under the Site Lease and the Facility Lease other than the right to receive the Base Rental Payments.

**SECTION 2. Acceptance.** The Trustee hereby accepts the foregoing assignment for the benefit of the Owners of the Bonds, subject to the conditions and terms of the Indenture, and all such Base Rental Payments shall be applied and all such rights so assigned shall be exercised by the Trustee as provided in the Indenture.

**SECTION 3. Conditions.** This Assignment Agreement shall confer no rights and shall impose no obligations upon the Trustee beyond those expressly provided in the Indenture.

**SECTION 4. California Law.** This Assignment Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California.

**SECTION 5. Severability.** If any agreement, condition, covenant or term hereof or any application hereof should be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants and terms hereof and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**SECTION 6. Execution in Counterparts.** This Assignment Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Assignment Agreement.

[Remainder of Page Intentionally Left Blank.]

**IN WITNESS WHEREOF**, the parties hereto have executed and entered into this Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

RIVERSIDE COUNTY  
INFRASTRUCTURE FINANCING  
AUTHORITY

By \_\_\_\_\_  
Chairman

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

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

STATE OF CALIFORNIA            )  
  )  
COUNTY OF RIVERSIDE        )        ss.

On \_\_\_\_\_, 2015, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

STATE OF CALIFORNIA            )  
  )  
COUNTY OF RIVERSIDE        )        ss.

On \_\_\_\_\_, 2015, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT A**

**DESCRIPTION OF LEASED PROPERTY**

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



\$ \_\_\_\_\_  
**Riverside County Infrastructure Financing Authority**  
**Lease Revenue Bonds**  
**(Capital Facilities Refunding Project) Series 2015**

**PURCHASE CONTRACT**

\_\_\_\_\_, 2015

Riverside County Infrastructure Financing Authority  
c/o County of Riverside  
County Administrative Center, 4th Floor  
4080 Lemon Street  
Riverside, CA 92501

County of Riverside  
Board of Supervisors  
County Administrative Center, 4th Floor  
4080 Lemon Street  
Riverside, CA 92501

Ladies and Gentlemen:

J.P. Morgan Securities LLC, acting on behalf of itself and as Representative (the "Representative") of the underwriters listed in Exhibit A hereto (collectively, the "Underwriters"), hereby offers to enter into this Purchase Contract with you, the County of Riverside (the "County") and the Riverside County Infrastructure Financing Authority (the "Authority"), for the purchase by the Underwriters and the delivery by you of the \$ \_\_\_\_\_ aggregate principal amount of Riverside County Infrastructure Financing Authority Lease Revenue Bonds (Capital Facilities Refunding Project) Series 2015 (the "Bonds"). The Bonds are being issued by the Authority to provide funds to (i) refund certain outstanding certificates of participation issued by the County of Riverside Asset Leasing Corporation, as more particularly described in the Official Statement (defined herein)(the "Refunded Bonds"); (ii) make a deposit to the reserve fund for the Bonds; and (iii) pay the costs of issuance of the Bonds. This offer is made subject to acceptance by you prior to 11:59 p.m., Los Angeles time, on the date hereof. Upon such acceptance, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriters. All terms not defined herein shall have the meanings set forth in the Indenture (defined below). The Representative is authorized to execute this Purchase Contract and act on behalf of the Underwriters.

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters agree to purchase from the Authority, and the Authority agrees to sell to the Underwriters, all (but not less than all) of the \$ \_\_\_\_\_ aggregate principal amount of the Bonds at the purchase price of \$ \_\_\_\_\_ (being the principal amount of the Bonds of \$ \_\_\_\_\_, less an Underwriter's discount in the amount of \$ \_\_\_\_\_, and plus a net original issue premium of \$ \_\_\_\_\_).

The Bonds shall be dated their date of delivery and shall mature on the dates and bear interest at the rates and have the prices or yields, all as set forth on Exhibit B attached hereto. The Bonds will be subject to redemption as set forth in the herein described Official Statement. Interest on the Bonds is payable on May 1 and November 1 of each year, commencing on May 1, 2016. The Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only.

The County and the Authority acknowledge and agree that (i) the primary role of the Underwriters, as underwriters, is to purchase the Bonds, for re-sale to investors pursuant to this Purchase Contract, which is an arm's-length commercial transaction among the County, the Authority and the Underwriters, and the Underwriters have financial and other interests that differ from those of the County and the Authority, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principal and are not acting as the agent, financial advisor, municipal advisor or fiduciary of the County or the Authority, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the County or the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the County or the Authority on other matters) and the Underwriters have no obligation to the County or the Authority with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract and (iv) the County and the Authority have consulted their own legal, financial, municipal and other advisors to the extent they have deemed appropriate.

**2. Authorizing Instruments and Law.** The Bonds shall be issued pursuant to the provisions of a resolution (the "Authority Resolution") adopted by the Authority authorizing the issuance of the Bonds, the provisions of a resolution (the "County Resolution") adopted by the County authorizing the issuance of the Bonds and certain matters relating thereto and an Indenture, dated as of October 1, 2015 (the "Indenture"), by and among the County, the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"). The Bonds shall be as described in the Indenture and the Official Statement.

In connection with the issuance of the Bonds, the County will lease the certain real property and existing improvements thereon described in the Official Statement (collectively, the "Leased Property") to the Authority pursuant to a Site Lease, dated as of October 1, 2015 (the "Site Lease"), by and between the County, as lessor, and the Authority, as lessee. The County will lease the Leased Property, under a Facility Lease, dated as of October 1, 2015 (the "Facility Lease"), by and between the Authority, as lessor, and the County, as lessee. The Bonds will be payable and secured solely from Revenues (as defined in the Indenture), consisting primarily of base rental payments to be made by the County pursuant to the Facility Lease (the "Base Rental Payments").

In connection with the refunding of the Refunded Bonds, the Authority and [ESCROW AGENT] will enter into the Escrow Agreement, dated as of October 1, 2015 (the "Escrow Agreement").

**3. Offering the Bonds.** The Underwriters agree to offer all the Bonds to the public initially not in excess of the prices (or less than the yields) set forth on the inside cover page of the

Official Statement pertaining to the Bonds, dated \_\_\_\_\_, 2015 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Representative, are herein called the "Official Statement"). Subsequent to the initial public offering of the Bonds, the Underwriters reserve the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. "Public Offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold. In connection with the sale and delivery of the Bonds, the Representative will deliver an Issue Price Certificate substantially in the form attached hereto as Exhibit C attached hereto.

**4. Delivery of Official Statement on the Date Hereof.** The County, on behalf of itself and as agent for the Authority, shall deliver to the Representative a copy of the Official Statement manually executed on behalf of the Authority and the County by authorized representatives thereof and a copy of the Official Statement in electronic word-searchable portable format in order to assist the Underwriters with complying with paragraph (b)(4) of Rule 15c2-12 (the "Rule") promulgated by the U.S. Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended, and the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Authority shall deliver the Official Statement to the Underwriter within seven (7) business days after the execution of this Purchase Contract, and no later than two (2) business days prior to the date of Closing. The Underwriters shall inform the County in writing of the End Date (herein defined), and covenants to file the Official Statement with the MSRB on a timely basis.

"End Date" as used herein is that date which is the earlier of:

(a) ninety (90) days after the end of the underwriting period, as defined in SEC Rule 15c2-12 adopted by the Securities and Exchange Commission on June 28, 1989 (as amended, "Rule 15c2-12"); or

(b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the underwriting period (as defined in Rule 15c2-12) ends.

The Authority and the County have authorized the use by the Underwriters of the Official Statement, the herein described County Documents and the herein described Authority Documents in connection with the public offering of the Bonds. The Authority and the County also have consented to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement dated \_\_\_\_\_, 2015, relating to the Bonds in connection with the public offering of the Bonds (which, together with all appendices thereto, is herein called the "Preliminary Official Statement"). Authorized officers of the County and the Authority have certified to the Underwriters that such Preliminary Official Statement was deemed to be final as of its date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriters have distributed a copy of each Preliminary Official Statement to potential customers on request.

**5. The Closing.** At 9:00 A.M., California time, on October \_\_, 2015, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority, the County and the Underwriters, the Authority will deliver (i) the Bonds in book-entry form through the facilities of DTC in New York, New York, and (ii) the closing documents

hereinafter mentioned at the offices of Nixon Peabody LLP, Los Angeles, California ("Bond Counsel"), or another place to be mutually agreed upon by the Authority, the County and the Representative. Subject to the terms and conditions hereof, the Underwriters will accept such delivery of the Bonds and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer of immediately available funds. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the "Closing."

**6. County Representations, Warranties and Covenants.** The County represents, warrants and covenants to the Underwriters that:

(a) The County is a political subdivision of the State of California (the "State"), duly organized and validly existing pursuant to the Constitution and laws of the State, and has all necessary power and authority to adopt the County Resolution and enter into and perform its duties under the Site Lease, the Facility Lease, the Continuing Disclosure Certificate, dated as of the date of Closing (the "Continuing Disclosure Certificate") from the County, the Official Statement and this Purchase Contract (collectively, the "County Documents").

(b) None of the adoption of the County Resolution, the execution and delivery of the County Documents, the approval and execution of the Official Statement or this Purchase Contract, compliance with the provisions on the County's part contained therein, the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in the security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the County under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the County Documents.

(c) The County Documents have been duly authorized, executed and delivered by the County, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against counties in the State of California.

(d) Except as may be required under blue sky or other securities laws of any state, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the County required for the execution and delivery of the Bonds and the County Documents or the consummation by the County of the other transactions contemplated by the Official Statement, the County Resolution and the other County Documents.

(e) To the best of the knowledge of the County, there is, and on the Closing (as hereinafter defined) there will be, no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the County to restrain or enjoin the delivery of any of the Bonds, or the payments to be made pursuant to the Facility Lease, or in any way contesting or affecting the validity of the County Documents or the

Bonds or the authority of the County to approve or enter into the County Documents or contesting the powers of the County to enter into or perform its obligations under any of the foregoing or in any way contesting the powers of the County in connection with any action contemplated by this Purchase Contract or the other County Documents or to restrain or enjoin the execution, sale and delivery of the Bonds or, except as described in the Preliminary Official Statement and the Official Statement, the payment of Base Rental Payments, nor is there any basis for any such action, suit, proceeding or investigation.

(f) The Preliminary Official Statement provided to the Underwriters has been deemed final by the County, as required by Rule 15c2-12. As of the date thereof and the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except for information permitted to be omitted therefrom by the Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the End Date, the information contained in the Official Statement was and will be complete for its intended purposes. The information contained in the Official Statement is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(g) The County agrees to cooperate with the Underwriters in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriters may request; provided, however, that the County will not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject or to qualify to do business as a foreign corporation in any jurisdiction where it is not so qualified.

(h) By official action of the County prior to or concurrently with the execution hereof, the County has duly approved the distribution of the Official Statement, has duly adopted the County Resolution and has duly authorized and approved the execution and delivery of, and the performance by the County of the obligations on its part contained in the County Documents and the consummation by it of all other transactions contemplated by the Official Statement, the County Resolution, this Purchase Contract and the other County Documents.

(i) To the best knowledge of the County, it is not in breach of or default under any material applicable law or administrative regulation of the State of California or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party or is otherwise subject and in connection with which the County is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument the consequence of which could be the material and adverse effect on the performance of the County under the County Documents.

(j) If between the date of this Purchase Contract and the End Date an event occurs, of which the County has knowledge, which might or would cause the information in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in

any material respect, the County will notify the Representative, and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will cooperate with the Representative in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Representative, provided all expenses thereby incurred will be paid for by the County.

(k) If the information contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of the End Date, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading.

(l) The County covenants that it will comply with all tax covenants relating to it in the County Documents, the Tax Certificate of the County (the "Tax Certificate") and this Purchase Contract.

(m) The County will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided in Lease and the Tax Certificate.

(n) The County will deliver or cause to be delivered all opinions, certificates, letters and other instruments and documents reasonably required by the Representative and this Purchase Contract.

(o) Any certificate of the County delivered to the Underwriters shall be deemed a representation and warranty by the County to the Underwriters as to the statements made therein.

(p) As of the time of acceptance hereof and as of the Closing the County does not and will not have outstanding any indebtedness which is secured by a lien on the County's general fund except as disclosed in the Official Statement.

(q) The financial statements of, and other financial information regarding the County in the Official Statement fairly present the financial position and results of the operations of the County as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied.

(r) Between the date of this Purchase Contract and the date of Closing, the County will not, except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by a lien on the County's general fund.

(s) Except as reflected in the Official Statement, the County has complied in all material respects during the previous five years with its continuing disclosure obligations in accordance with the Rule.

**7. Authority Representations, Warranties and Covenants.** The Authority represents, warrants and covenants to the County and the Underwriters that:

(a) The Authority is a joint powers authority duly organized and validly existing pursuant to the laws of the State of California, with full right, power and authority to adopt the Authority Resolution and enter into, execute and deliver the Authority Documents (defined below) and to perform its obligations hereunder.

(b) By all necessary official action, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in this Purchase Contract, the Bonds, the Indenture, the Site Lease, the Facility Lease, [the Escrow Agreement,] the Official Statement and the Agency Agreement (collectively, the "Authority Documents") and has approved the use by the Underwriters of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties hereto, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The Authority has complied, and will at the Closing be in compliance in all respects, with the terms of the Authority Documents.

(c) The Bonds, when issued in accordance with the Indenture, will be legally valid and binding special obligations of the Authority, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(d) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, the Authority is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the adoption of the Authority Resolution, the authorization and the execution and delivery of the Authority Documents and compliance by the Authority with the provisions thereof do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as provided in the Authority Documents.

(e) As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending, or to the best knowledge of the Authority threatened against the Authority:

(i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices;

(ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby, or contesting the exclusion of the interest on the Bonds from federal or state taxation, as applicable, or contesting the powers of the Authority or its authority to adopt the Authority Resolution or enter into the Authority Documents and to pledge the Revenues for repayment of the Bonds;

(iii) which may result in any material adverse change relating to the financial condition of the Authority; or

(iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of all the circumstances under which they were made, not misleading.

(f) All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Authority of its obligations in connection with, the Authority Documents have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(g) Any certificate signed by any authorized officer of the Authority and delivered to the Underwriters shall be deemed to be a representation and warranty by the Authority to the Underwriters as to the statements made therein.

(h) As of the time of acceptance hereof and as of the date of Closing, the Authority has complied with the filing requirements relating to joint power agencies.

(i) The Authority will undertake, or cause the County to undertake, pursuant to the Indenture and the Continuing Disclosure Certificate, to provide or cause to be provided annual financial reports and notices of certain events; a description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth as an appendix to the Official Statement.

(j) The Authority will advise the Representative promptly of any proposal to amend or supplement the Official Statement from the delivery of the Official Statement to the End Date, and will not effect or consent to any such amendment or supplement without the consent of the



Representative, which consent will not be unreasonably withheld. The Authority will advise the Representative promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(k) For a period beginning on the date hereof and continuing until the End Date, (a) the Authority will not adopt any amendment of, or supplement to, the Official Statement to which the Representative shall object in writing or which shall be disapproved by the Underwriter's Counsel and (b) if any event relating to or affecting the Authority shall occur as a result of which it is necessary, in the opinion of Underwriter's Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser of the Bonds, the Authority will forthwith cause the preparation and furnishing to the Underwriters a reasonable number of copies of an amendment of, or supplement to, the Official Statement (in form and substance satisfactory to Underwriter's Counsel) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser of the Bonds, not misleading.

**8. Closing Conditions.** The Underwriters have entered into this Purchase Contract in reliance upon the representations, warranties and covenants herein and the performance by the Authority and the County of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriters' obligations hereunder are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority and the County contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the County Documents and the Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Representative;

(ii) there shall be in full force and effect the County Resolution, the Authority Resolution, and any other such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions on the part of the Authority and the County contemplated by this Purchase Contract, the Official Statement, the County Documents and the Authority Documents;

(iii) the Authority shall perform or have performed its obligations required or specified in the Authority Documents to be performed at or prior to Closing;

(iv) the County shall perform or have performed its obligations required as specified in the County Documents to be performed at or prior to Closing; and

(v) the Official Statement shall not have been supplemented or amended, except pursuant to Section 6(j), 7(j) or 7(k), or as otherwise may have been agreed to in writing by the Representative.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under the Authority Documents or the County Documents and neither the Authority nor the County shall be in default in the payment of principal or interest on any of its bonded indebtedness which default shall adversely impact the ability of the Authority to make payments on the Bonds or the County to make payments pursuant to the Facility Lease.

(d) Termination Events. The Underwriters shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the Authority and the County if at any time at or prior to the Closing:

(i) any event shall occur which causes the Official Statement to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(ii) the marketability of the Bonds or the market price thereof, in the opinion of the Representative, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of the Authority Documents or the County Documents in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the President or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other Federal or State authority materially adversely affecting the Federal or State tax status of the Authority or the County, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the United States or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Representative, materially adversely affects the market price of the Bonds; or

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the

issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriters' ability to market the Bonds; or

(vi) a general banking moratorium shall have been established by federal or State authorities; or

(vii) the United States has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States, being such as, in the reasonable opinion of the Representative, would affect materially and adversely the ability of the Underwriters to market the Bonds; or

(viii) the commencement of any action, suit or proceeding described in Sections 6(e) or 7(e) hereof which, in the judgment of the Representative, materially adversely affects the market price of the Bonds; or

(ix) there shall be in force a general suspension of trading on the New York Stock Exchange; or

(x) an event described in Section 6(j) or Section 7(k) hereof shall have occurred which, in the reasonable professional judgment of the Representative, requires the preparation and publication of a supplement or amendment to the Official Statement; or

(xi) any rating or credit outlook of the Bonds or other obligations of the County by a national rating agency shall have been withdrawn or downgraded; or

(xii) any event occurring, or information becoming known which, in the reasonable judgment of the Representative, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(e) **Closing Documents.** At or prior to the Closing, the Representative shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(1) Bond Opinion. The approving opinion of Bond Counsel dated the date of the Closing and substantially in the form included as APPENDIX F to the Official Statement, together with a letter from such counsel, dated the date of the Closing and

addressed to the Underwriters to the effect that the foregoing opinion may be relied upon by the Underwriters to the same extent as if such opinion was addressed to them.

(2) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in substantially the form and to the following effect:

(a) The statements and information contained in the Official Statement on the cover page and under the captions "THE SERIES 2015 BONDS" (except for the information under the captions "The Book Entry System"), "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2015 BONDS" and "TAX MATTERS," and in APPENDICES D and F, are true and accurate in all material respects; and

(b) The Bonds are exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"), and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(3) County Counsel Opinion. An opinion of the County Counsel, dated as of the Closing and addressed to Bond Counsel and the Underwriters, in form and substance acceptable to Bond Counsel and counsel for the Underwriters, to the following effect:

(i) The County is a political subdivision of the State of California duly organized and validly existing under the Constitution and the laws of the State of California.

(ii) The County Resolution approving and authorizing the execution and delivery of the County Documents and approving the Official Statement was duly adopted at a meeting of the Board of Supervisors which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.

(iii) Except as disclosed in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the County, which would materially and adversely impact the County's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the payments under the Facility Lease or in any way contesting or affecting the validity of the County Documents, the County Resolution or the Bonds or the transactions relating to the Facility Leased Premises as described and defined in the Official Statement.

(iv) The execution and delivery of the County Documents, the adoption of the County Resolution and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the County a breach of or default under any agreement or other instrument to which the County is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the County is subject.

(v) The County Documents have been duly authorized, executed and delivered by the County, and, assuming due authorization, execution and delivery by the other parties

thereto constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles if equitable remedies are sought and by the limitations on legal remedies imposed on actions against counties in the State of California.

(vi) No authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California, other than the Board of Supervisors, is required for the valid authorization, execution and delivery of the County Documents and the approval of the Official Statement.

(vii) Based upon examinations which he has made and his discussions in conferences with certain officials of the County and others with respect to the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement (including the Appendices attached thereto), nothing has come to his attention which would lead him to believe that the Official Statement (other than financial and statistical data therein and incorporated therein by reference and DTC and its book-entry system, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(4) Authority Counsel Opinion. An opinion of Counsel to the Authority, dated the date of the Closing and addressed to Bond Counsel and the Underwriters, in form and substance acceptable to counsel for the Underwriters substantially to the following effect:

(i) The Authority is a joint powers agency duly organized and existing under and by virtue of the laws of the State;

(ii) The Authority has full legal power and lawful authority to enter into the Authority Documents and to lease its properties and to carry on its business as now conducted and as contemplated by the Authority Documents and the Official Statement;

(iii) The Authority Resolution has been duly adopted at a meeting of the governing board of the Authority, which was called and held pursuant to the law and with all public notice required by law and at which a quorum was present and acting throughout and the Authority Resolution is in full force and effect and has not been modified, amended or rescinded;

(iv) The execution and delivery of the Authority Documents, the adoption of the Authority Resolution and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject.

(v) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the valid, legal and binding obligation of the Authority enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors rights and by the application of equitable principles if equitable remedies are sought;

(vi) The Official Statement has been duly authorized by the governing body of the Authority and executed on its behalf by an authorized officer of the Authority;

(vii) The description of the Authority in the Official Statement is correct and does not omit any statement which should be included or referred to therein in order to make such description not misleading in any material respect;

(viii) Except as otherwise disclosed in the Official Statement, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, governmental agency or body, pending or threatened against the Authority, challenging the creation, organization or existence of the Authority, or the validity of the Authority Documents or seeking to restrain or enjoin any of the transactions referred to herein or contemplated hereby or contesting the authority of the Authority to enter into or perform its obligations under the Authority Documents, or which, in any manner, questions the right of the Authority to issue and sell the Bonds.

(5) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to Bond Counsel and the Underwriters, in form and substance acceptable to counsel for the Underwriters substantially to the following effect:

(i) The Trustee is a national banking association duly organized and validly existing under the laws of the United States.

(ii) The Trustee has duly authorized the execution and delivery of the Indenture and authenticated the Bonds.

(iii) The Indenture has been duly entered into and delivered by the Trustee and assuming due, valid and binding authorization, execution and delivery by the other parties thereto, constitute the legal, valid and binding obligations of the Trustee enforceable against the Trustee in accordance with its respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, or by general principles of equity.

(iv) acceptance by the Trustee of the duties and obligations under the Indenture and compliance with provisions thereof will not conflict with or constitute a breach of or default under any law or administrative regulation to which the Trustee is subject.

(v) All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Trustee of its duties and obligations under the Indenture have been obtained and are in full force and effect.

(6) Escrow Agent Counsel Opinion. The opinion of counsel to the Escrow Agent, dated the date of the Closing, addressed to Bond Counsel and the Underwriters, in form and substance acceptable to counsel for the Underwriters substantially to the following effect:

(i) The Escrow Agent is a national banking association duly organized and validly existing under the laws of the United States.

(ii) The Escrow Agent has duly authorized the execution and delivery of the Escrow Agreement.

(iii) The Escrow Agreement has been duly entered into and delivered by the Escrow Agent and assuming due, valid and binding authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligations of the Escrow Agent enforceable against the Escrow Agent in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, or by general principles of equity.

(iv) acceptance by the Escrow Agent of the duties and obligations under the Escrow Agreement and compliance with provisions thereof will not conflict with or constitute a breach of or default under any law or administrative regulation to which the Escrow Agent is subject.

(v) All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Escrow Agent of its duties and obligations under the Escrow Agreement have been obtained and are in full force and effect.

(7) Disclosure Counsel Opinion. An opinion, dated the date of the Closing addressed to the Authority, the County and the Underwriters, of Kutak Rock LLP, disclosure counsel, to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel to the Authority and without having undertaken to determine independently the accuracy or completeness of the contents in the Official Statement, such counsel has no reason to believe that the Official Statement, as of its date and as of the date of Closing (except for the financial statements and the other financial and statistical data included therein and the information included therein relating to DTC and the book-entry system, and in Appendix B through F thereto, as to all of which no opinion or belief need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(8) County Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the County satisfactory in form and substance to the Representative, (a) certifying that as of such date the representations and warranties of the County contained in this Purchase Contract are true and correct as of such date; (b) certifying that the County has complied with all agreements, covenants and conditions to be complied with by the County at or prior to the Closing under the County Documents; (c) certifying that no event affecting the County has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (d) certifying that the County has authorized and consented to the inclusion in the Official Statement of the County's financial report and accountant's opinion for the year ended June 30, 2014, and no further consent of any party is required for such inclusion.

(9) Authority Certificate. A certificate of the Authority, dated the date of the Closing, signed on behalf of the Authority by the President or other duly authorized officer of the Authority to the effect that:

(i) The representations, warranties and covenants of the Authority contained herein and in the Authority Documents are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing and the Authority has complied with all of the terms and conditions of the Authority Documents required to be complied with by the Authority at or prior to the date of Closing; and

(ii) No event affecting the Authority has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(10) Trustee's Certificate. A Certificate of the Trustee, dated the date of Closing, addressed to the Authority, the County and the Underwriters, in form and substance acceptable to counsel for the Underwriters to the following effect:

(i) The Trustee is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Indenture;

(ii) Subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Bonds to the purposes specified in the Indenture; and

(iii) The Trustee has duly authorized and executed the Indenture and authenticated the Bonds.

(11) Escrow Agent Certificate. A Certificate of the Escrow Agent, dated the date of Closing, addressed to the Authority, the County and the Underwriters, in form and substance acceptable to counsel for the Underwriters to the following effect:

(i) The Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Escrow Agreement;

(ii) Subject to the provisions of the Escrow Agreement, the Trustee will apply the amounts on deposit in the Escrow Fund to the purposes specified in the Escrow Agreement; and

(iii) The Escrow Agent has duly authorized and executed the Escrow Agreement

(12) Verification Report. A report of \_\_\_\_\_ stating that the firm has verified the mathematical accuracy of certain computations relating to the defeasance of the Refunded Bonds.

(13) Title Policy. A copy of an ALTA title insurance policy in an amount equal to the principal amount of the Bonds, insuring the County's leasehold interest in the



Facility Leased Premises, subject only to permitted encumbrances or such other encumbrances approved in writing by the Representative.

(14) Opinion of Underwriter's Counsel. The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Los Angeles, California, counsel for the Underwriters, dated the date of Closing and addressed to the Underwriters, satisfactory in form and substance to the Underwriters.

(15) Transcripts. Two transcripts of all proceedings relating to the authorization and issuance of the Bonds.

(16) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the County and the Authority by a duly authorized officer of each.

(17) Documents. An original executed copy of each of the Authority Documents and the County Documents.

(18) County Resolution. Two copies certified by the Clerk or Assistant Clerk of the County, of each resolution of the County relating to the County Documents, the actions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Section 8(e)(12) above.

(19) Authority Resolution. Two copies certified by the Secretary or Assistant Secretary of the Authority, of each resolution of the Authority relating to the Authority Documents, the Bonds and the transactions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Section 8(e)(12) above.

(20) Statement of Facts Roster of the Authority. Certified copies of each of the Statement of Facts Roster of the Authority.

(21) IRS Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared for filing.

(22) Nonarbitrage Certificate. A tax and nonarbitrage certificate in form satisfactory to Bond Counsel.

(23) Ratings. Evidence as of the Closing satisfactory to the Representative that the Bonds have received, at a minimum, a rating of "[AA-]" and "[A+]," respectively, from Standard & Poor's Rating Group and Fitch Ratings, and that such ratings have not been revoked or downgraded.

(24) CDIAC Statement. A copy of the Notice of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code.

(25) Additional Documents. Such additional certificates, instruments and other documents as the Representative may reasonably deem necessary.

If the Authority or the County shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriters, and none of the Underwriters, the Authority or the County shall be under further obligation hereunder.

**9. Expenses.** The Authority shall pay or cause to be paid from the proceeds of the Bonds or other funds available to it the expenses incident to the performance of its obligations hereunder, including but not limited to: (a) the cost of printing and distribution of the Official Statement in reasonable quantities and all other documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby, including distribution costs and all mailing, including overnight and express delivery, costs; (b) the fees and disbursements of the Trustee in connection with the execution and delivery of the Bonds; (c) the fees and disbursements of Bond Counsel, Disclosure Counsel, financial advisor and any other experts or consultants retained by the Authority or the County in connection with the transactions contemplated hereby; (d) the costs related to obtaining ratings; (e) the cost of mailing or delivering the definitive Bonds; (f) the Underwriters' disbursements for telephone conference calls and out-of-state travel and lodging undertaken at the request of the Authority; and (g) any expenses incurred on behalf of the Authority's employees which are incidental to implementing this Purchase Contract, including, but not limited to meals, transportation, lodging and entertainment of those employees; provided that the Authority's obligation to pay or cause to be paid the expenses set forth under clause (g) shall continue in full force and effect notwithstanding the termination of this Purchase Contract pursuant to the terms hereof.

The Underwriters shall pay: (a) all advertising expenses in connection with the public offering of the Bonds; (b) the fees and expenses of counsel to the Underwriters, including their fees in connection with the qualification of the Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (c) California Debt and Investment Advisory Commission fees; and (d) all other expenses incurred by it in connection with its public offering and distribution of the Bonds. Certain payments may be in the form of inclusion of such expenses in the expense component of the Underwriters' discount.

**10. Notice.** Any notice or other communication to be given to the Representative may be given by delivering the same to J.P. Morgan Securities LLC, 1415 L Street, Suite 650, Sacramento, California 95814, attention: Juan Fernandez. Any notice or other communication to be given to the Authority or the County pursuant to this Purchase Contract may be given by delivering the same in writing to such entity, at the addresses set forth on the cover page hereof.

**11. Entire Agreement.** This Purchase Contract, when accepted by the Authority and the County, shall constitute the entire agreement among the Authority, the County and the Underwriters and is made solely for the benefit of the Authority, the County and the Underwriters (including the successors or assigns of any Underwriters). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All the Authority's and the County's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriters, until the earlier of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Purchase Contract.

**12. Counterparts.** This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

**13. Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

**14. State of California Law Governs.** The validity, interpretation and performance of the Authority Documents shall be governed by the laws of the State.

**15. No Assignment.** The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriters, the Authority or the County without the prior written consent of the other parties hereto.

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**16. Definitions.** Terms not otherwise defined herein shall have the same meaning as when used in the Indenture.

**J.P. MORGAN SECURITIES LLC,**  
as Representative of itself  
and the other Underwriters

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

Accepted as of the date first stated above:

**RIVERSIDE COUNTY INFRASTRUCTURE  
FINANCING AUTHORITY**

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

**COUNTY OF RIVERSIDE**

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

Time of Execution: \_\_\_\_\_

**EXHIBIT A**

**UNDERWRITERS**

J.P. Morgan Securities LLC  
RBC Capital Markets

**EXHIBIT B**

**MATURITY DATES, PRINCIPAL AMOUNTS,  
INTEREST RATES, YIELDS AND PRICE**

<b>Maturity Date (November 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Yield</b>	<b>Price</b>
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\$ \_\_\_\_\_ % Term Bond due November 1, 20\_\_ , Yield: \_\_\_\_\_ %; Price: \_\_\_\_\_<sup>c</sup>  
\$ \_\_\_\_\_ % Term Bond due November 1, 20\_\_ , Yield: \_\_\_\_\_ %; Price: \_\_\_\_\_<sup>c</sup>  
\$ \_\_\_\_\_ % Term Bond due November 1, 20\_\_ , Yield: \_\_\_\_\_ %; Price: \_\_\_\_\_<sup>c</sup>

<sup>c</sup>Priced to November 1, 20\_\_ call date at par.

## EXHIBIT C

### ISSUE PRICE CERTIFICATE OF THE REPRESENTATIVE

This Certificate is furnished by J.P. Morgan Securities LLC, as representative (the "Representative") of the underwriters (the "Underwriter"), in connection with the execution and delivery by the Riverside County Infrastructure Financing Authority (the "Issuer") of its \$\_\_\_\_\_ aggregate principal amount of Lease Revenue Bonds (Capital Facilities Refunding Project) Series 2015 (the "Bonds") issued on \_\_\_\_\_, 2015 and the Representative hereby certifies and represents the following, based upon information available to us:

1. Based on our assessment of the then prevailing market conditions, the Representative reasonably expected when it agreed to purchase the Bonds (the "Sale Date") that the first prices at which at least 10% of each maturity of the Bonds would be sold by the Representative to the general public (excluding Bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (the "Public") would be prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, those listed for each maturity on Schedule A hereto (the "Initial Offering Prices").

2. All of the Bonds have actually been offered to the Public in a bona fide public offering at prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, the Initial Offering Prices.

3. The first price, or yield in the case of obligations sold on a yield basis, at which ten percent (10%) of each maturity of the Bonds has been sold to the Public was at a price not higher than, or, in the case of obligations sold on a yield basis, at a yield not lower than, the Initial Offering Prices [except for the Bonds with the following maturities:].

4. The Representative had no reason to believe that any of the Initial Offering Prices of the Bonds exceeded the expected fair market value of the Bonds as of the Sale Date.

We understand that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and by Nixon Peabody LLP in connection with rendering its opinion to the Issuer that the interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes. The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned's interpretation of any laws; in particular the regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate has been derived from other purchasers, Bond houses and brokers and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

J.P. MORGAN SECURITIES LLP,  
on behalf of itself and as Representative of the  
Underwriters

By: \_\_\_\_\_  
[NAME]  
[TITLE]

Dated: \_\_\_\_\_, 2015