

---

**INDENTURE**

**by and between**

**SOUTH ORANGE COUNTY PUBLIC FINANCING AUTHORITY**

**and**

**ZIONS BANK, A DIVISION OF ZB, N.A., as Trustee**

Dated as of June 1, 2016

Relating to

**\$ \_\_\_\_\_**

**SOUTH ORANGE COUNTY PUBLIC FINANCING AUTHORITY  
CENTRAL UTILITY FACILITY LEASE REVENUE BONDS, SERIES 2016**

---

# TABLE OF CONTENTS

## Page

### ARTICLE I DEFINITIONS; EQUAL SECURITY

Section 1.01	Definitions .....	2
Section 1.02	Rules of Construction .....	7
Section 1.03	Equal Security .....	7

### ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01	Authorization and Purpose of Bonds .....	8
Section 2.02	Designation of Bonds; Authorized Amount .....	8
Section 2.03	Description of Bonds .....	8
Section 2.04	Redemption of Bonds .....	9
Section 2.05	Form of Bonds .....	11
Section 2.06	Execution of Bonds .....	11
Section 2.07	Transfer of Bonds .....	11
Section 2.08	Exchange of Bonds .....	11
Section 2.09	Temporary Bonds .....	12
Section 2.10	Registration Books .....	12
Section 2.11	Bonds Mutilated, Lost, Destroyed or Stolen .....	12
Section 2.12	Special Covenants as to Book-Entry Only System for Bonds .....	12
Section 2.13	Conditions for the Issuance of Additional Bonds .....	14
Section 2.14	Proceedings for Authorization of Additional Bonds .....	15
Section 2.15	Limitation on the Issuance of Obligations Payable From Revenues .....	15

### ARTICLE III DEPOSIT AND APPLICATION OF PROCEEDS

Section 3.01	Issuance of Bonds .....	16
Section 3.02	Application of Bond Proceeds .....	16
Section 3.03	Costs of Issuance Fund .....	16
Section 3.04	Acquisition and Construction Fund .....	16
Section 3.05	Validity of Bonds .....	16

### ARTICLE IV REVENUES; FLOW OF FUNDS

Section 4.01	Pledge of Revenues; Assignment of Rights .....	17
Section 4.02	Revenue Fund; Receipt, Deposit and Application of Revenues .....	17
Section 4.03	[Reserved] .....	18
Section 4.04	Rebate Fund .....	18
Section 4.05	Investments .....	19

**TABLE OF CONTENTS**  
(continued)

**Page**

**ARTICLE V**  
**COVENANTS OF THE AUTHORITY**

Section 5.01	Punctual Payment .....	19
Section 5.02	Extension of Payment of Bonds.....	19
Section 5.03	Against Encumbrances .....	19
Section 5.04	Power to Issue Bonds and Make Pledge and Assignment .....	20
Section 5.05	Accounting Records and Financial Statements.....	20
Section 5.06	No Additional Obligations .....	20
Section 5.07	Tax Covenants .....	20
Section 5.08	Lease and Site Lease; Amendments .....	21
Section 5.09	Further Assurances .....	21

**ARTICLE VI**  
**THE TRUSTEE**

Section 6.01	Appointment of Trustee .....	22
Section 6.02	Acceptance of Trusts .....	22
Section 6.03	Fees, Charges and Expenses of Trustee.....	24
Section 6.04	Notice to Bond Owners of Default .....	25
Section 6.05	Intervention by Trustee.....	25
Section 6.06	Removal of Trustee.....	25
Section 6.07	Resignation by Trustee .....	25
Section 6.08	Appointment of Successor Trustee .....	25
Section 6.09	Merger or Consolidation.....	25
Section 6.10	Concerning any Successor Trustee .....	26
Section 6.11	Appointment of Co-Trustee .....	26
Section 6.12	Limited Liability of Trustee.....	26

**ARTICLE VII**  
**MODIFICATION AND AMENDMENT OF THE INDENTURE**

Section 7.01	Amendments .....	27
Section 7.02	Effect of Supplemental Agreement.....	28
Section 7.03	Amendment by Mutual Consent .....	28

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

Section 8.01	Events of Default .....	28
Section 8.02	Remedies.....	28
Section 8.03	Application of Revenues and Other Funds After Default.....	29
Section 8.04	Power of Trustee to Control Proceedings .....	30
Section 8.05	Appointment of Receivers .....	30
Section 8.06	Non-Waiver .....	30
Section 8.07	Rights of Bond Owners.....	30
Section 8.08	Termination of Proceedings.....	31

**TABLE OF CONTENTS**  
(continued)

**Page**

ARTICLE IX  
DEFEASANCE OF BONDS

Section 9.01	Discharge of Bonds.....	31
Section 9.02	Provisions and Restrictions with Respect to Defeasance .....	32

ARTICLE X  
MISCELLANEOUS

Section 10.01	Limited Liability of Authority .....	33
Section 10.02	Benefits of Indenture Limited to Parties .....	33
Section 10.03	Successor Is Deemed Included in All References to Predecessor .....	33
Section 10.04	Content of Written Certificates and Opinions .....	33
Section 10.05	Execution of Documents by Bond Owners.....	34
Section 10.06	Disqualified Bonds .....	34
Section 10.07	Waiver of Personal Liability .....	34
Section 10.08	Partial Invalidity .....	35
Section 10.09	Destruction of Cancelled Bonds .....	35
Section 10.10	Funds and Accounts.....	35
Section 10.11	Payment on Business Days .....	35
Section 10.12	Notices .....	35
Section 10.13	Unclaimed Moneys .....	36
Section 10.14	Governing Law .....	36
Section 10.15	Execution in Counterparts .....	36
 EXHIBIT A	 FORM OF BOND.....	 A-1

## INDENTURE

THIS INDENTURE, dated as of June 1, 2016 (this “**Indenture**”), by and between the SOUTH ORANGE COUNTY PUBLIC FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the “**Authority**”) and ZIONS BANK, A DIVISION OF ZB, N.A., a national banking association organized and existing under the laws of the United States of America with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the trusts hereby created (the “**Trustee**”).

### WITNESSETH:

WHEREAS, the Authority is a joint powers authority duly organized and existing under and pursuant to that certain Amended and Restated Joint Exercise of Powers Agreement dated as of April 7, 1998, by and between the County of Orange, California (the “**County**”) and Community Facilities District No. 88-2 of the County of Orange (Lomas Laguna), and under the provisions of Articles 1 through 4 (commencing with Section 6500), Chapter 5, Division 7, Title 1 of the California Government Code (the “**Act**”), and is authorized pursuant to the Act, particularly Article 4 thereof, to issue bonds to finance and refinance public capital improvements; and

WHEREAS, the Authority has entered into a Lease Agreement dated as of June 1, 2016 (the “**Lease**”) with the County for the purpose of assisting the County in financing the acquisition, construction and installation of certain capital improvements for the County’s Central Utility Facility and related upgrades and equipment as described in Exhibit B hereto (the “**Project**”); and

WHEREAS, the Authority has determined to issue its Central Utility Facility Lease Revenue Bonds, Series 2016 (the “**Bonds**”) in the aggregate principal amount of \$\_\_\_\_\_, all pursuant to and secured by this Indenture in the manner provided herein for the purpose of financing the Project; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the payment of the principal thereof, and the premium, if any, and interest thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purpose herein set forth in accordance with its terms, have all been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the premium, if any, and interest on all Bonds at any time issued and Outstanding under this Indenture according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt

whereof if hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; EQUAL SECURITY

**Section 1.01 Definitions.** Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Indenture and of any Supplemental Indenture and of the Bonds and of any certificate, opinion, request or other document herein mentioned have the meanings herein specified. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Lease.

**“Acquisition and Construction Fund”** means the fund by that name established pursuant to Section 3.04.

**“Act”** means Articles 1 through 4 (commencing with Section 6500), Chapter 5, Division 7, Title 1 of the California Government Code, as may be amended from time to time.

**“Additional Bonds”** means any bonds authorized to be issued under this Indenture pursuant to Sections 2.13 and 2.14.

**“Additional Projects”** means additional capital improvements, including facilities or equipment of the County to be financed with proceeds of Additional Bonds.

**“Authority”** means the South Orange County Public Financing Authority, a joint powers authority duly organized and existing under the laws of the State.

**“Authorized Authority Officer”** means the Chair or Vice Chair, of the Board of Directors of the Authority, the Executive Director or Treasurer of the Authority, or any such officer’s duly authorized designee, or any other officer or employee of the Authority duly authorized by the Authority.

**“Authorized County Officer”** means the Chair of the Board of Supervisors, the Vice Chair of the Board of Supervisors, the County Executive Officer, the County Chief Financial Officer or the Public Finance Director or any such officer’s duly authorized designee, or any other officer or employee of the County duly authorized by the County.

**“Board”** means the Board of Directors of the Authority.

**“Bond Year”** means each twelve-month period extending from April 1 in one calendar year to March 31 of the succeeding calendar year, both dates inclusive, except that the first Bond Year shall extend from the Closing Date to March 31, 2017.

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

**“Bonds”** means the \$\_\_\_\_\_ aggregate principal amount of South Orange County Public Financing Authority Central Utility Facility Lease Revenue Bonds, Series 2016, authorized by

and at any time Outstanding pursuant to the Act and this Indenture; and if Additional Bonds are issued, the aggregate principal amount of Bonds and Additional Bonds.

**“Business Day”** means a day other than (i) a Saturday or Sunday, (ii) a day on which commercial banks in the city in which the Trustee maintains its Trust Office are authorized or required by law or executive order to close or (iii) a day on which the New York Stock Exchange is closed.

**“Closing Date”** means the date of delivery of the Bonds to the original purchaser thereof.

**“Code”** means the Internal Revenue Code of 1986.

**“Costs of Issuance”** means all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds, including but not limited to all compensation, fees and expenses of the Authority and the Trustee, compensation to any financial consultants or underwriters, legal fees and expenses, filing and recording costs, rating agency fees, costs of preparation and reproduction of documents, costs of printing and title insurance premiums, if any.

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

**“County”** means the County of Orange, California.

**“Depository”** shall mean DTC or another recognized securities depository selected by the Authority that maintains a book-entry system for the Bonds.

**“DTC”** means The Depository Trust Company, New York, New York.

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

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

**“Fiscal Year”** means any twelve-month period extending from July 1, in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period.

**“Indenture”** means this Indenture, as originally executed or as it may from time to time be amended or supplemented in accordance herewith.

**“Independent Certified Accountant”** means any certified public accountant or firm of certified public accountants appointed and paid by the Authority or the County, and who, or each of whom: (a) is in fact independent and not under domination of the Authority or the County; (b) does not have any substantial interest, direct or indirect, in the Authority or the County; and (c) is not connected with the Authority or the County as an officer or employee of the Authority or the County but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the County.

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

**“Interest Account”** means the account by that name established and held by the Trustee pursuant to Section 4.02(a).

**“Interest Payment Date”** means April 1 and October 1 of each year, commencing October 1, 2016.

**“Lease”** means the Lease dated as of June 1, 2016, by and between the Authority and the County, pursuant to which the Authority leases the Leased Facilities back to the County, as it may from time to time be supplemented or amended.

**“Leased Facilities”** means the real property and improvements thereon described in the Lease, as all or any portion thereof may be substituted in accordance with the Site Lease.

**“Moody’s”** means Moody’s Investors Service, and its successors and assigns.

**“Outstanding,”** when used as of any particular time with reference to the Bonds, means (subject to the provisions of Section 10.06) all Bonds theretofore executed, issued and delivered by the Authority under this Indenture except:

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

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.01; and

(c) Bonds in lieu of which or in substitution for which other Bonds shall have been executed, issued and delivered pursuant to this Indenture or any Supplemental Indenture.

**“Permitted Investments”** means any of the following that at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein (provided that the Trustee may rely upon investment direction of the Authority as a determination that such investment is a legal investment):

- (1) United States Treasury bills, notes, bonds, or certificates of indebtedness, for which the full faith and credit for the United States are pledged for the payment of principal and interest.
- (2) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
  - Senior debt obligations issued by Fannie Mae or the Federal Home Loan Mortgage Corporation (FHLMC)

- Obligations of the Resolution Funding Corporation (REFCORP)
  - Senior debt obligations of the Federal Home Loan Bank System
  - Senior debt obligations of other Government Sponsored Agencies;
- (3) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks (including the Trustee and its affiliates) which have a rating on their short-term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and which mature not more than one hundred eighty (180) calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank):
- (4) Commercial paper shall be of "prime quality" of the highest ranking or of the highest letter and number rating as provided by a NRSRO and not exceed 270 days. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):
- (a) Has total assets in excess of five hundred million dollars (\$500,000,000), is organized and operating within the United States as a general corporation, and has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
  - (b) Is organized in the United States as a special purpose corporation, trust, or limited liability company, has program-wide credit enhancements including, but not limited to, over-collateralization, letters of credit or a surety bond, has commercial paper that is rated "A-1 or higher, or the equivalent, by a NRSRO.
- Split ratings (i.e. A2/P1) are not allowed;
- (5) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, including funds for which the Trustee or its affiliates provide investment advisory or other management services, which only invest in direct obligations in U.S. Treasury bills, notes and bonds, U.S. Government Agencies and repurchase agreements with a weighted average of 60 days or less;
- (6) Municipal obligations rated "Aaa/AAA" or general obligations of States with a rating of "Aa2/AA" or higher by both Moody's and S&P;
- (7) Investment agreements which do not adversely affect the ratings on the Bonds;
- (8) The County Treasurer's Orange County Investment Pool;

- (9) Any other investment permitted by law and the County's Investment Policy with a rating not lower than the rating on the Bonds from S&P and a rating not lower than the rating on the Bonds from Moody's.

The value of the above investments shall be determined as follows:

- (a) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers;
- (b) As to certificates of deposit and bankers' acceptances, the face amount thereof, plus accrued interest thereon; and
- (c) As to any investment not specified above, the value thereof established determined by the entity holding such funds, in accordance with its customary practice.

**"Principal Account"** means, the account by that name established and held by the Trustee pursuant to Section 4.02(b).

**"Project"** means the improvements to the County's Central Utility Facility and related upgrades and equipment as described in Exhibit B hereto and any other capital improvements or equipment of the County as set forth in a Written Certificate of the County.

**"Project Costs"** means, with respect to any item or portion of the Project, the contract price paid or to be paid therefor upon acquisition, construction, procurement or improvement thereof, in accordance with a purchase order or contract therefor. Project Costs include, but are not limited to, the administrative, engineering, legal, financial and other costs incurred by the County and the Authority in connection with the acquisition, construction, procurement, remodeling or improvement of the Project, all applicable sales taxes and other charges resulting from such construction, procurement, remodeling or improvement of the Project and the costs associated with making rebate calculations required by the Code. Project Costs shall not include any costs of the County or the Authority to enforce remedies hereunder or under the Lease.

**"Rebate Fund"** means the fund by that name established and held by the Trustee pursuant to Section 4.04.

**"Record Date"** means, with respect to any Interest Payment Date, the fifteenth day of the month preceding the month in which such Interest Payment Date occurs (i.e. February 15 or August 15, as the case may be), whether or not such day is a Business Day.

**"Registration Books"** means the records maintained by the Trustee pursuant to Section 2.10 for the registration and transfer of ownership of the Bonds.

**"Revenue Fund"** means the fund by that name established and held by the Trustee pursuant to Section 4.02.

**"Revenues"** means all Base Rental Payments payable by the County pursuant to the Lease.

**“S&P”** means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC, and its successors and assigns.

**“Securities Depositories”** means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax (516) 227-4039 or 4190; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

**“Site Lease”** means the Site Lease dated as of June 1, 2016, between the County, as lessor, and the Authority, as lessee, pursuant to which the County leases the Leased Facilities to the Authority, as it may from time to time be supplemented or amended.

**“State”** means the State of California.

**“Supplemental Indenture”** means any agreement supplemental to or amendatory of this Indenture entered into in accordance with the provisions of Article VII.

**“Tax Certificate”** means the Tax Certificate relating to compliance with certain provisions of the Code, executed, and delivered by the Authority and the County on the Closing Date, as amended or supplemented from time to time.

**“Trust Office”** means the corporate trust office of the Trustee in Los Angeles, California; provided that for registration, transfer, exchange, surrender and payment of the Bonds, Trust Office means the corporate trust operations office of the Trustee in Los Angeles, California, or such other offices as may be specified to the Authority by the Trustee in writing.

**“Trustee”** means Zions Bank, a division of ZB, N.A. and its successors and assigns, and any other corporation or association that may at any time be substituted in its place as provided in Article VI.

**“Written Certificate,” “Written Request” or “Written Requisition”** means a written certificate, request or requisition of the County or of the Authority, as the case may be, signed by an Authorized County Officer or an Authorized Authority Officer duly authorized for that purpose by a resolution, respectively, and in each case filed with the Trustee.

**Section 1.02 Rules of Construction.** All references in this Indenture to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

**Section 1.03 Equal Security.** In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

**Section 2.01 Authorization and Purpose of Bonds.** The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and hereby finds and determines that all things, conditions, and acts required by law to exist, to happen and to be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now authorized to issue the Bonds in the manner and form provided in this Indenture. Accordingly, the Authority hereby authorizes the issuance of the Bonds pursuant to the Act and this Indenture for the purpose of providing funds to finance Project.

**Section 2.02 Designation of Bonds; Authorized Amount.** The Bonds authorized to be issued by the Authority under and subject to the Act and the terms of this Indenture shall be designated the “South Orange County Public Financing Authority Central Utility Facility Lease Revenue Bonds, Series 2016” and shall be issued in the original aggregate principal amount of \$\_\_\_\_\_.

**Section 2.03 Description of Bonds.** Each Bond shall be dated its date of delivery, shall mature on April 1 in each of the years set forth below and in the amounts set forth below, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates per annum set forth below:

***Maturity Date***  
***(April 1)***

***Principal Amount***

***Interest Rate***

\$

%

The Bonds shall be delivered in fully registered form, numbered from one upwards in consecutive numerical order (with such alphabetical prefix as the Trustee shall determine). The Bonds shall be executed and delivered in the denominations of \$5,000 and any integral multiple thereof.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is authenticated during the period from the day after the Record Date for an Interest Payment Date to and including such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated on or prior to the Record Date for the first Interest Payment Date, in which event it shall bear interest from its dated date; provided, however, that if at the time of authentication of any Bond interest with respect to such Bond is in default, such Bond shall bear interest from the Interest Payment Date to which interest has been paid or made available for payment with respect to such Bond.

Interest with respect to any Bond shall be payable in lawful money of the United States of America on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date, such interest to be paid by check of the Trustee, mailed not later than the Interest Payment Date to the Owner at his address as it appears, on such Record Date, on the Registration Books maintained by the Trustee or at such other address as has been furnished to the Trustee in writing by the Owner on or prior to such Record Date; provided, however, that at the written request of the Owner of at least \$1,000,000 in aggregate principal amount of Outstanding Bonds filed with the Trustee prior to any Record Date, interest on such Bonds shall be paid to such Owner on each succeeding Interest Payment Date (unless such request has been revoked in writing) by wire transfer of immediately available funds to an account in the United States designated in such written request. Payments of defaulted interest with respect to the Bonds shall be paid by check to the registered Owners of the Bonds as of a special record date to be fixed by the Trustee, notice of which special record date shall be given to the registered Owners of the Bonds not less than ten days prior thereto. The principal of or the redemption price (including accrued interest with respect thereto) of any Bonds is payable when due upon surrender thereof at the Trust Office in lawful money of the United States of America.

**Section 2.04 Redemption of Bonds.** The Bonds are subject to redemption prior to their maturity only as provided in this Section 2.04.

(a) Optional Redemption. The Bonds maturing on or before April 1, 20\_\_ are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after April 1, 20\_\_, shall be subject to optional redemption, in whole or in part from such maturities as are selected by the Authority in integral multiples of \$5,000 (notice of which determination shall be given by the Authority to the Trustee), on any date on or after April 1, 20\_\_, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

(b) Extraordinary Redemption. The Bonds and Additional Bonds are subject to redemption on any date prior to their respective stated maturities, upon notice as hereinafter provided, as a whole or in part as nearly as practicable on a pro-rata basis among maturities in integral multiples of \$5,000 as determined by the Trustee (notice of which determination shall be given by the Trustee to the Authority and the County), from title and property insurance proceeds and eminent domain proceeds, to the extent provided in Section 7.02 of the Lease, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the redemption date.

(c) Sinking Fund Redemption. The Bonds maturing on April 1, 20\_\_ are subject to mandatory sinking fund redemption in part (by lot) on each April 1 on and after April 1, 20\_\_, in integral multiples of \$5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

<i><b>Sinking Fund Redemption Date</b></i>	<i><b>Principal Amount</b></i>
<i><b>(April 1)</b></i>	<i><b>To Be Redeemed</b></i>

(maturity)

In the event of a redemption pursuant to Section 4.01(a) or (b), the County shall provide the Trustee with a revised mandatory sinking fund schedule giving effect to the redemption so completed.

(d) Notice of Redemption. The Trustee on behalf and at the expense of the Authority shall mail, by first class mail, postage prepaid, notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and to the Securities Depositories and to one or more Information Services, at least 30 but not more than 45 days prior to the date fixed for redemption; provided that so long as the Bonds are registered in the name of DTC, or its nominee, notice shall be sent in accordance with the procedures of DTC. Neither failure to receive any such notice so given nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the date of the notice, the redemption date, the redemption place and the redemption price and shall designate the CUSIP numbers, the Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. Neither the Authority nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Authority nor the Trustee shall be liable for any inaccuracy in such numbers.

Unless funds for the optional redemption of any Bonds are irrevocably deposited with the Trustee prior to rendering notice of redemption to the Owners, such notice shall state that such redemption is conditional and subject to the deposit of funds with the Authority. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, then such redemption shall not occur and the Trustee shall give notice rescinding the notice of redemption in the same manner as the original notice of redemption was sent. Such rescission and cancellation shall not constitute an Event of Default under this Indenture. The Authority and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption.

(e) Selection of Bonds for Redemption. Whenever less than all of the Outstanding Bonds of a maturity are to be redeemed, the Trustee shall select Bonds to be redeemed by lot from the Bonds to be redeemed in part from the Outstanding Bonds. For purposes of such selection, all Bonds shall be deemed to be comprised of separate \$5,000 portions and such portions shall be treated as separate Bonds, which may be separately redeemed.

(f) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same series and maturity, of authorized denominations in aggregate principal amounts equal to the unredeemed portion of the Bond being redeemed.

(g) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest on the Bonds so called for redemption shall

have been duly provided, such Bonds, so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price, and no interest shall accrue thereon from and after the redemption date. All Bonds redeemed pursuant to this Section 2.04 shall be cancelled by the Trustee and shall be delivered to or upon the order of the Authority. All moneys held by or on behalf of the Trustee for the payment of principal of or interest on Bonds, whether at redemption or maturity, shall be held in trust for the account of the Owners thereof and the Trustee shall not be required to pay Owners any interest on, or be liable to Owners for any interest earned on, moneys so held.

**Section 2.05 Form of Bonds.** The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with the necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

**Section 2.06 Execution of Bonds.** The Bonds shall be signed in the name and on behalf of the Authority with the manual or facsimile signature of an Authorized Authority Officer and attested with the manual or facsimile signature of the Secretary of the Authority or any deputy or assistant thereof and shall be delivered to the Trustee for authentication by it. In case any Authorized Authority Officer who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though the individual who signed the same had continued to be such Authorized Authority Officer. Also, any Bond may be signed on behalf of the Authority by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed on behalf of the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

**Section 2.07 Transfer of Bonds.** Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon presentation and surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Authority shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and principal amount. The Trustee shall not be required to transfer, pursuant to this Section, (a) any Bond during the period established by the Trustee for the selection of Bonds for redemption or (b) any Bond selected for redemption.

**Section 2.08 Exchange of Bonds.** Bonds may be exchanged at the Trust Office of the Trustee for the same principal amount of the same tenor and maturity and of other authorized denominations. The Trustee shall not be required to exchange, pursuant to this Section, (a) any Bond during the period established by the Trustee for the selection of Bonds for redemption or (b) any Bond selected for redemption.

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

**Section 2.10 Registration Books.** The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which shall at all times during regular business hours be open to inspection by the Authority with reasonable prior notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer, or cause to be registered or transferred, on said records, Bonds as herein provided.

**Section 2.11 Bonds Mutilated, Lost, Destroyed or Stolen.** If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor, maturity and principal amount in an authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the Authority. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Authority and the Trustee and, if such evidence shall be satisfactory to them and indemnity satisfactory to them shall be given, the Authority, at the expense of the Bond Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Authority). The Authority may require payment of a reasonable fee for each new Bond issued under this Section and of the expenses that may be incurred by the Authority and the Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original contractual obligation on the part of the Authority whether or not the Bond alleged to be lost, destroyed or stolen shall be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

**Section 2.12 Special Covenants as to Book-Entry Only System for Bonds.** Except as otherwise provided in subsections (a) and (c) of this Section, all of the Bonds initially issued shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to the representation letter executed by the Authority and delivered to DTC. Payment of the interest on any Bond registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Bonds to the account, in the manner and at the address indicated in or pursuant to the representation letters or operating memoranda, as the case may be, executed by the Authority and the Trustee, respectively, and delivered to DTC (the “**Representation Letter**”).

(a) The Bonds initially shall be issued in the form of a single authenticated fully registered bond for each stated maturity of such Bonds, representing the aggregate principal amount of the Bonds of such maturity. Upon initial issuance, the ownership of all such Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.10 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the Authority and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders hereunder, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders of the Bonds and for all other purposes whatsoever; and neither the Trustee nor the Authority or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor the Authority or any paying agent shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Bondholder, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (iii) any notice which is permitted or required to be given to Bondholders of Bonds hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or (v) any consent given or other action taken by DTC as Bondholder of Bonds. The Trustee shall pay all principal of and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (e) of this Section.

(b) Notwithstanding any other provision of this Indenture to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and interest on each such Bond and all notices with respect to each such Bond shall be made and given, respectively, to DTC as provided in any representation letter from the Authority or the Trustee.

(c) In the event that the Authority determines that the Bonds should not be maintained in book-entry form, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Bonds will be transferable in accordance with subsection (e) of this Section. DTC may determine to discontinue providing its services with respect to the Bonds or a portion thereof, at any time by giving written notice of such discontinuance to the Authority or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with subsection (e) of this Section. If at any time DTC shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor securities depository is not appointed by the Authority within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, then this Section shall no longer be applicable and the Authority shall execute and

the Trustee shall authenticate and deliver certificates representing the Bonds as provided below. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such securities depository in accordance with subsection (e) of this Section, and thereafter, all references in this Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) The Trustee is hereby authorized and requested to execute and deliver the Representation Letter and, in connection with any successor nominee for DTC or any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Indenture.

(e) In the event that any transfer or exchange of Bonds is authorized under subsection (a) or (c) of this Section, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of this Indenture. In the event Bond certificates are issued to Bondholders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, another securities depository as holder of all the Bonds, or the nominee of such successor securities depository, the applicable provisions of this Indenture shall apply to the registration, exchange and transfer of the Bonds and the method of payment of principal of and interest on the Bonds.

**Section 2.13 Conditions for the Issuance of Additional Bonds.** At the request of the County, the Authority may at any time issue Additional Bonds pursuant to a Supplemental Indenture, payable from the Revenues, and secured by a pledge of and charge and lien upon the Revenues, as provided herein equal to the pledge, charge and lien securing any Outstanding Bonds, but only subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any Additional Bonds:

(a) No Event of Default has occurred or is continuing under the Indenture, Lease or Site Lease.

(b) The Supplemental Indenture shall require that the proceeds of the sale of such Additional Bonds shall be applied to finance or refinance Additional Projects or to refund Outstanding Bonds or Additional Bonds previously issued.

(c) In the case of Additional Bonds issued for refunding purposes, the County shall provide to the Authority written evidence that the total principal and interest payments due on the Additional Bonds to maturity are less than the total principal and interest payments to maturity on the Bonds or Additional Bonds refunded with the proceeds of such Additional Bonds.

(d) The Lease shall have been amended, if necessary, so as to increase the Base Rental Payments payable by the County thereunder in each Fiscal Year by an amount equal to the principal of and interest on such Additional Bonds.

**Section 2.14 Proceedings for Authorization of Additional Bonds.** Before any Additional Bonds shall be issued, the County and the Authority shall file or cause to be filed the following documents with the Trustee:

(a) Executed counterparts of the Supplemental Indenture and amendments to the Lease and the Site Lease, if any.

(b) Certified copies of resolutions of the Authority and the County authorizing the issuance of the Additional Bonds and the execution and delivery of the Supplemental Indenture and amendments to the Lease and the Site Lease, if any.

(c) A Written Certificate of the Authority stating that all applicable provisions of this Indenture, including Section 2.13, have been complied with so as to permit the execution and delivery of the Additional Bonds in accordance with the Supplemental Indenture then delivered to the Trustee, and that no Event of Default has occurred and is continuing under this Indenture, the Lease or the Site Lease.

(d) A Written Certificate of the County stating that all applicable provisions of the Lease have been complied with so as to permit the execution and delivery of the Additional Bonds and the amendment of the Lease or the Site Lease, if applicable, that it is in compliance with the terms of the Lease and the Site Lease, and that no Event of Default has occurred and is continuing under the Lease or the Site Lease.

(e) An opinion of Bond Counsel to the effect that (1) the Additional Bonds are valid and binding obligations of the Authority, permitted under this Indenture; (2) any amendment to the Lease or the Site Lease, when duly executed by the County and the Authority, will be valid and binding obligations of the County and the Authority, respectively and (3) if the Additional Bonds are to be tax-exempt, that the interest on the Additional Bonds will not be included in the gross income of the Owners thereof for federal income tax purposes.

Upon delivery to the Trustee of the foregoing instruments, the Trustee shall authenticate and deliver the Additional Bonds in the aggregate principal amount specified in the Supplemental Indenture to, or upon the Written Request of the Authority.

**Section 2.15 Limitation on the Issuance of Obligations Payable From Revenues.** The Authority will not, so long as any Bonds are Outstanding, issue any obligations or securities, however denominated, payable in whole or in part from Revenues except the following:

(a) Additional Bonds of any series authorized pursuant to Sections 2.13 and 2.14.

(b) Obligations owing with respect to a Reserve Facility, including principal, interest and fees relating thereto which may be secured on a parity with the pledge of Revenues to the Bonds.

(c) Obligations which are junior and subordinate to the payment of the principal, premium and interest for the Bonds and which subordinated obligations are payable as to principal, premium and interest, if any, only out of Revenues after the prior payment of all amounts then required to be paid hereunder from Revenues for principal, premium and interest for the Bonds, as the same become due and payable and at the times and in the manner as required by this Indenture.

## ARTICLE III

### DEPOSIT AND APPLICATION OF PROCEEDS

**Section 3.01 Issuance of Bonds.** Upon the execution and delivery of this Indenture, the Lease and the Site Lease, the Authority shall execute and deliver Bonds in the aggregate principal amount of \$\_\_\_\_\_, and shall deliver the Bonds to the Trustee for authentication and delivery to the original purchaser thereof upon the Written Request of the Authority.

**Section 3.02 Application of Bond Proceeds.** Upon the receipt of payment for the Bonds on the Closing Date, the Trustee shall deposit the proceeds derived from the sale thereof as follows:

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

(b) The Trustee shall deposit the amount of \$\_\_\_\_\_ in the Acquisition and Construction Fund.

**Section 3.03 Costs of Issuance Fund.** There is hereby established a fund to be held by the Trustee known as the “Costs of Issuance Fund,” into which shall be deposited a portion of the Bond proceeds pursuant to Section 3.02(a). The moneys in the Costs of Issuance Fund shall be used from time to time to pay Costs of Issuance, upon receipt by the Trustee of a Written Requisition of the Authority stating (i) the payee, the purpose for which the cost has been incurred and the amount of the disbursement, (ii) that each such cost has been properly incurred and is a proper charge against the Costs of Issuance Fund; and (iii) that none of the items for which payment is requested has been previously reimbursed. On the date that is 60 days following the Closing Date, or upon the earlier determination by the Authority that all Costs of Issuance have been paid and written direction to the Trustee to make the transfer provided herein, the Trustee shall transfer remaining amounts in the Costs of Issuance Fund to the Revenue Fund and the Trustee shall close the Costs of Issuance Fund.

**Section 3.04 Acquisition and Construction Fund.** The Trustee shall establish and maintain a separate fund designated the “Acquisition and Construction Fund.” On the Closing Date there shall be deposited in the Acquisition and Construction Fund the amount specified in Section 3.02(b) hereof. The moneys in the Acquisition and Construction Fund shall be used and withdrawn by the Trustee from time to time to pay the Project Costs upon submission of a Written Request of the County stating (i) the payee to whom payment is to be made, (ii) the amount to be paid, (iii) the purpose for which the obligation was incurred, (iv) that such payment constitutes a proper charge against the Acquisition and Construction Fund, and (v) that such amounts have not been the subject of a prior disbursement from the Acquisition and Construction Fund, in each case together with a statement or invoice for each amount requested thereunder.

Upon the filing of a Written Certificate of the County stating that the Project has been completed and all costs relating to the Project have been paid, the Trustee shall transfer the amount, if any, remaining in the Acquisition and Construction Fund to the Revenue Fund to be used for the purposes thereof and the Acquisition and Construction Fund shall be closed.

**Section 3.05 Validity of Bonds.** The validity of the authorization and issuance of the Bonds shall not be affected in any way by any proceedings taken by the Authority with respect to the application of the Bond proceeds, and the recital contained in the Bonds that the same are issued

pursuant to the Act shall be conclusive evidence of their validity and of the regularity of their issuance.

## ARTICLE IV

### REVENUES; FLOW OF FUNDS

**Section 4.01 Pledge of Revenues; Assignment of Rights.** Subject to the provisions of Section 6.03, the Bonds shall be secured by a first lien on and pledge (which shall be effected in the manner and to the extent hereinafter provided) of all of the Revenues and a pledge of all of the moneys in the funds and accounts established and held by the Trustee under this Indenture (other than the Rebate Fund). The Bonds shall be equally secured by a pledge, charge and lien upon the Revenues and such moneys without priority for number, date of the Bonds, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds shall be and are secured by an exclusive pledge, charge and lien upon the Revenues and such moneys. So long as any of the Bonds are Outstanding, the Revenues and such moneys shall not be used for any other purpose; except that out of the Revenues there may be apportioned such sums, for such purposes, as are expressly permitted by this Indenture.

Pursuant to Section 5451 of the California Government Code as in effect on the date hereof, this Indenture creates a valid and binding pledge of, lien on and security interest in the Revenues for the benefit of the Trustee as security for the payment of the Bonds in accordance with the terms hereof, and such pledge, lien and security interest shall be effective, binding and enforceable against the Issuer to the extent set forth herein and in accordance with the terms hereof.

The Authority hereby transfers in trust and absolutely and irrevocably assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues and all of the right, title and interest of the Authority in the Lease and the Site Lease (except for the Authority's right to indemnification under the Lease and the Site Lease, which right shall not be assigned); and the Trustee hereby accepts such assignment. The Trustee shall be entitled to and shall receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee.

**Section 4.02 Revenue Fund; Receipt, Deposit and Application of Revenues.** All Revenues shall be deposited by the Trustee upon receipt in a special fund designated as the "Revenue Fund," which the Trustee shall establish, maintain and hold in trust hereunder.

On or before each Interest Payment Date, the Trustee shall transfer from the Revenue Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Revenue Fund), the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. On or before each Interest Payment Date, the Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on such Interest Payment Date on all Outstanding Bonds. No deposit need be made into the Interest Account if the amount

contained therein is at least equal to the interest becoming due and payable upon all Outstanding Bonds on such Interest Payment Date. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having come due and payable on the Outstanding Bonds, shall be transferred to the Principal Account.

(b) Principal Account. On or before each Interest Payment Date on which the principal of the Bonds shall be payable, the Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal (i) the principal amount of the Bonds coming due and payable on such Interest Payment Date pursuant to Section 2.03, and (ii) the redemption price of the Bonds (consisting of the principal amount thereof) required to be redeemed on such Interest Payment Date pursuant to any of the provisions of Section 2.04. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof, or (ii) paying the principal of the Bonds upon the redemption thereof.

All amounts on deposit in the Revenue Fund on the first day of any Bond Year, to the extent not required to pay the principal of any Outstanding Bonds then having come due and payable, shall be withdrawn therefrom and transferred to the County to be used for any lawful purposes of the County.

#### **Section 4.03 [Reserved]**

**Section 4.04 Rebate Fund.** The Authority hereby agrees to establish a separate fund titled the "Rebate Fund," which shall be held and maintained by the Trustee. The Authority shall cause to be deposited in the Rebate Fund such amounts as required under the Tax Certificate. Subject to the other provisions of this Section 4.04 and Section 8.08 of the Lease, moneys held in the Rebate Fund are hereby pledged to secure payments to the United States government, and the Authority, the County and the Owners shall have no rights in or claim to such moneys.

Without limiting the generality of the foregoing, the Authority agrees that there shall be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final treasury regulations as may be applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of the Bonds. The Authority specifically covenants to pay or cause to be paid to the United States at the times and in the amounts determined under the Tax Certificate. The Trustee agrees to comply with all instructions given to it by the Authority or the County in accordance with this covenant. The Trustee shall conclusively be deemed to have complied with the provisions of this Section 4.04 if it follows the instructions of the Authority or the County and shall not be required to take any actions hereunder in the absence of instructions from the Authority or the County.

Notwithstanding any provision of this Section, if the Authority shall provide to the Trustee an opinion of a nationally recognized bond or tax counsel that any specified action required under this Section 4.04 is no longer required or that some further or different action is required to maintain the tax-exempt status of interest on the Bonds, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

**Section 4.05 Investments.** All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments pursuant to a Written Request of the Authority given to the Trustee not less than two Business Days in advance of the making of such investments. In the absence of any such direction from the Authority, the Trustee shall hold any such moneys in Permitted Investments described in clause (6) of the definition of Permitted Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee may act as principal or agent in the acquisition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section.

For the purpose of determining the amount in any fund or account, the value of Permitted Investments credited to such fund or account shall be calculated at the cost thereof (excluding accrued interest and brokerage commissions, if any).

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

## ARTICLE V

### COVENANTS OF THE AUTHORITY

**Section 5.01 Punctual Payment.** The Authority shall punctually pay or cause to be paid the principal, premium, if any, and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Indenture.

**Section 5.02 Extension of Payment of Bonds.** The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any, default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such, issuance shall not be deemed to constitute an extension of maturity of the Bonds.

**Section 5.03 Against Encumbrances.** The Authority shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge

and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other Indentures for any of its corporate purposes, including other programs under the Act, and reserves the right to issue other obligations for such purposes.

**Section 5.04 Power to Issue Bonds and Make Pledge and Assignment.** The Authority is duly authorized pursuant to law to issue the Bonds, to enter into this Indenture and to pledge and assign the Revenues, the Lease, the Site Lease and the other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are the legal, valid and binding special obligations of the Authority in accordance with their terms, and the Authority and the Trustee (subject to the provisions of Section 6.02 hereof) shall at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

**Section 5.05 Accounting Records and Financial Statements.** The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with industry standards, in which complete and accurate entries shall be made of all transactions by the Trustee relating to the proceeds of Bonds, the Revenues, the Lease, the Site Lease and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Authority and the County during regular business hours with reasonable prior notice.

**Section 5.06 No Additional Obligations.** The Authority covenants that no additional bonds, notes or indebtedness shall be issued or incurred that are payable out of the Revenues in whole or part, except as provided in Sections 2.13 and 2.14 of this Indenture.

**Section 5.07 Tax Covenants.**

(a) The Authority covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Bonds, and for no other purpose, it will satisfy, or take such actions as may be necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Authority covenants to comply with the Tax Certificate as a source of guidance with respect to the requirements of the Code.

(b) The Authority covenants that no part of the proceeds of the Bonds shall be used, directly or indirectly, to acquire any “investment property,” as defined in Section 148 of the Code, and it shall not take or permit to be taken any other action or actions, which would cause the obligation represented by this Indenture or by the Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code, as in effect from time to time, or under applicable Treasury regulations promulgated thereunder. In order to assure compliance with the rebate requirements of Section 148 of the Code, the Authority further covenants that it will pay or cause to be paid to the United States Treasury Department the amounts necessary to satisfy the requirements of Section 148(f) of the Code, as required in the Tax Certificate, and that it will establish such accounting procedures as are necessary to, adequately determine, account for and pay over any such amount or amounts required to be paid to the United States in a manner consistent with requirements of Section 148 of the Code, such covenant to survive the termination of this Indenture.

(c) The Authority covenants that it will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial execution and delivery of the Bonds, would result in a loss of exclusion from gross income for purposes of Federal income taxation, under Section 103(a) of the Code, of interest on the Bonds.

(d) The Authority covenants that it will not use or permit the use of the proceeds of the Bonds in such manner or to such extent as would result in a loss of exclusion of the interest on the Bonds from gross income for Federal income tax purposes under Section 103(a) of the Code.

**Section 5.08 Lease and Site Lease; Amendments.** The Trustee, as assignee of the Authority's rights under the Lease and the Site Lease pursuant to, and as limited by, Section 4.01, shall receive all Revenues paid by the County pursuant to the Lease.

The Authority, the Trustee and the County may at any time amend or modify the Lease or the Site Lease in accordance with their respective terms, but only if (a) except as provided in clause (b) of this sentence, the Trustee first obtains the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding to such amendment or modification, or (b) such amendment or modification is for any one or more of the following purposes, in which case the consent of the Bond Owners shall not be required:

(a) to add to the covenants and agreements of the County contained in the Lease or the Site Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power therein reserved to or conferred upon the County; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provisions contained in the Lease or the Site Lease in any other respect whatsoever as the County may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not materially adversely affect the interests of the Owners of the Bonds; or

(c) to amend any provision of the Lease or the Site Lease relating to the Code, but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest on the Bonds, in the opinion of nationally recognized bond counsel; or

(d) to amend the Lease or the Site Lease in connection with any substitution or withdrawal of Leased Facilities in accordance with the Lease and the Site Lease, or in connection with the issuance of Additional Bonds hereunder; or

(e) to amend any provision agreed to by the Authority and the Trustee, so long as such amendment does not materially adversely affect the interests of the Bondholders.

**Section 5.09 Further Assurances.** The Authority will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

## ARTICLE VI

### THE TRUSTEE

**Section 6.01 Appointment of Trustee.** Zions Bank, a division of ZB, N.A., is hereby appointed Trustee by the Authority for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The Authority agrees that it will maintain a Trustee having a corporate trust office in the State, with a combined capital and surplus, or a member of a bank holding company system the lead bank of which shall have a combined capital and surplus, of at least \$50,000,000, and subject to supervision or examination by Federal or State authority, so long as any Bonds are Outstanding. If such bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized and directed to pay the principal of and interest on the Bonds when duly presented for payment at maturity, or on redemption prior to maturity, and to cancel all Bonds upon payment thereof. The Trustee shall keep accurate records of all funds and accounts administered by it and of all Bonds paid and discharged.

**Section 6.02 Acceptance of Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(b) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence is herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a Written Certificate of the Authority.

(c) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Owners pursuant to this Indenture, unless such Owners shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(d) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order bond or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit.

(e) The Trustee, prior to the occurrence of an Event of Default hereunder or under the Lease or the Site Lease, and after the curing or waiving of all such Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no covenants of or against the Trustee shall be implied in this Indenture.

In case an Event of Default hereunder or under the Lease or the Site Lease has occurred (which has not been cured or waived), the Trustee may exercise such of the rights and powers vested in it by this Indenture and by the Lease or the Site Lease, as the case may be, and shall use the same degree of care and skill in the exercise of such rights and powers as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(f) The Trustee may execute any of the trusts or powers hereunder and perform the duties required of it hereunder either directly or by or through attorneys or agents, and shall be entitled to the advice of counsel concerning all matters of trust and its duty hereunder. The Trustee may conclusively rely on an opinion of counsel as full and complete authorization and protection for any action taken, suffered or omitted by it hereunder.

(g) The Trustee shall not be responsible for any recital herein, in the Lease or the Site Lease, or in the Bonds, or for any of the supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby and makes no representation as to the validity or sufficiency of the Bonds, this Indenture, the Lease or the Site Lease. The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority hereunder or on the part of the Authority or the County under the Lease or the Site Lease. The Trustee shall not be responsible for the application by the Authority or the County of the proceeds of the Bonds.

(h) The Trustee may become the Owner or pledgee of Bonds secured hereby with the same rights it would have if not the Trustee; may acquire and dispose of other bonds or evidences of indebtedness of the Authority with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in the capacity with respect to, any committee formed to protect the rights of Owners of Bonds, whether or not such committee shall represent the Owners of the majority in aggregate principal amount of the Bonds then Outstanding.

(i) The Trustee may rely and shall be protected in acting or refraining from acting, in good faith and without negligence, upon any notice, resolution, opinion, report, direction, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and to have been signed or presented by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith and without negligence pursuant to this Indenture, the Lease or the Site Lease upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Bond or to take any action at his request unless the ownership of Bond by such person shall be reflected on the Registration Books.

(j) The permissive right of the Trustee to do things enumerated in this Indenture, the Lease or the Site Lease shall not be construed as a duty and it shall not be answerable for other than its negligence or willful default. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(k) The Trustee shall not be required to take notice to be deemed to have notice of any Event of Default hereunder or under the Lease or the Site Lease, except failure by the Authority or the County to make any of the payments to the Trustee required to be made by the

Authority pursuant hereto or thereto or failure by the Authority or the County to file with the Trustee any document required by this Indenture, the Lease or the Site Lease to be so filed subsequent to the issuance of the Bonds, unless the Trustee shall be specifically notified in writing of such default by the Authority, or by the Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding and all notice or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Trust Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default hereunder except as aforesaid.

(l) At any and all reasonable times during normal business hours, with prior notice, the Trustee and its duly authorized agents, attorneys, experts, accountants and representatives, shall have the right (but not duty) fully to inspect all non-privileged books, papers and records of the Authority pertaining to the Bonds, and to make copies of any of such books, papers and records which are not privileged by statute or by law.

(m) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises hereof.

(n) Notwithstanding anything elsewhere in this Indenture with respect to the execution of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, as may be deemed desirable for the purpose of establishing the right of the Authority to the execution of any Bonds, the withdrawal of any cash or the taking of any other action by the Trustee.

(o) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law.

(p) Whether or not expressly provided therein, every provision of this Indenture, the Lease and the Site Lease relating to the conduct or affecting the liability of the Trustee shall be subject to the provisions of this Section 6.02.

(q) No implied covenants or obligations shall be read into this Indenture against the Trustee.

(r) The Trustee shall have no responsibility for, and makes no representations with respect to, any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

**Section 6.03 Fees, Charges and Expenses of Trustee.** The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and under the Lease and the Site Lease, and all advances, counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon the occurrence of an Event of Default hereunder, but only upon any Event of Default, the Trustee shall have a first lien with right of payment prior to payment of any Bond upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it.

**Section 6.04 Notice to Bond Owners of Default.** If an Event of Default hereunder or under the Lease occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 6.02(k) hereof, then the Trustee shall, within 30 days of the receipt of such notice, give written notice thereof by first class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; provided, however, that unless such Event of Default consists of the failure by the Authority to make any payment when due, the Trustee may elect not to give such notice if and so long as the Trustee reasonably determines that failure to provide such notice is in the best interests of the Bond Owners.

**Section 6.05 Intervention by Trustee.** In any judicial proceeding to which the Authority or the County is a party that, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of any of the Bonds, the Trustee may intervene on behalf of such Bond Owners, and subject to Section 6.02(c), shall do so if requested in writing by the Owners of at least 25% in aggregate principal amount of such Bonds then Outstanding.

**Section 6.06 Removal of Trustee.** The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee and signed by the Owners of a majority in aggregate principal amount of the Outstanding Bonds. The Authority may also remove the Trustee at any time, except during the existence of an Event of Default.

**Section 6.07 Resignation by Trustee.** The Trustee and any successor Trustee may at any time give 90 days' written notice of its intention to resign as Trustee hereunder, such notice to be given to the Authority and the County by registered or certified mail. Upon receiving such notice of resignation, the Authority shall appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the successor Trustee shall cause notice thereof to be given by first class mail, postage prepaid, to the Bond Owners at their respective addresses set forth on the Registration Books.

**Section 6.08 Appointment of Successor Trustee.** In the event of the removal or resignation of the Trustee pursuant to Sections 6.06 or 6.07, respectively, the Authority shall appoint a successor Trustee. In the event the Authority shall for any reason whatsoever fail to appoint a successor Trustee within 90 days following the delivery to the Trustee of the instrument described in Section 6.06 or within 90 days following the receipt of notice by the Authority pursuant to Section 6.07, the Trustee may, at the expense of the Authority, apply to a court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 6.01. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the Authority purporting to appoint a successor Trustee following the expiration of such 90-day period.

**Section 6.09 Merger or Consolidation.** Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall meet the requirements set forth in Section 6.01, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**Section 6.10 Concerning any Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the Written Request of the Authority, or of the Trustee's successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

**Section 6.11 Appointment of Co-Trustee.** It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action that may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate trustee or co-trustee. The following provisions of this Section 6.11 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate trustee or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate trustee or co-trustee but only to the extent necessary to enable such separate trustee or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate trustee or co-trustee shall run to and be enforceable by either of them.

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

**Section 6.12 Limited Liability of Trustee.** No provision in this Indenture shall require the Trustee to risk or expend its own, funds or otherwise incur any financial liability hereunder if it shall have reasonable grounds for believing repayment of such funds or adequate indemnity against such liability or risk is not assured to it. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of the Owners of at least 25% in aggregate principal amount of Bonds Outstanding relating to the time, method and place of conducting any proceeding or remedy available to the Trustee under this Indenture or exercising any power conferred

upon the Trustee under this Indenture. The Authority shall indemnify the Trustee, its officers, directors, agents and employees for, and hold it harmless from and against any loss, liability, cost, claim or expense, including without limitation fees and expenses of its attorneys incurred without negligence or bad faith on the Trustee's part, arising out of or in connection with the execution by the Trustee of this Indenture, the acceptance and administration of the trust created hereunder and the exercise of any rights, remedies or powers by the Trustee hereunder or under the Lease or the Site Lease, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. The obligations of the Authority under this Section shall survive the resignation or removal of the Trustee under this Indenture.

## ARTICLE VII

### MODIFICATION AND AMENDMENT OF THE INDENTURE

**Section 7.01 Amendments.** This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, which shall become binding upon execution by the parties hereto, without consent of any Bond Owner and to the extent permitted by law, but only for any one or more of the following purposes:

- (a) to add to the covenants and agreements of the Authority in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Authority so long as such limitation or surrender of such rights or powers shall not materially adversely affect the Owners of the Bonds; or
- (b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Authority may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not materially adversely affect the interests of the Owners of the Bonds; or
- (c) to amend any provision hereof relating to the Code, but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest on any of the Bonds under the Code, in the opinion of nationally recognized bond counsel; or
- (d) to provide for the issuance of Additional Bonds pursuant to Section 2.13 of this Indenture; or
- (e) to amend any provision agreed to by the Authority and the Trustee, so long as such amendment does not materially adversely affect the interests of the Bondholders.

Except as set forth in the preceding paragraph of this Section 7.01, this Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may only be modified or amended at any time by a Supplemental Indenture, which shall become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal or interest at the time and place and at the rate and in the currency provided therein of any

Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

**Section 7.02 Effect of Supplemental Agreement.** From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Outstanding Bonds, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

**Section 7.03 Amendment by Mutual Consent.** The provisions of this Article VII shall not prevent any Bond Owner from accepting any amendment as to the particular Bond held by him, provided that due notation thereof is made on such Bond.

## **ARTICLE VIII**

### **EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS**

**Section 8.01 Events of Default.** The following events shall be Events of Default hereunder:

(a) Default in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by proceedings for redemption.

(b) Default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable.

(c) Failure by the Authority to observe or to perform any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than as referred to in the preceding clauses (a) and (b), for a period of 60 days after written notice, specifying such/failure and requesting that it be remedied has been given to the Authority by the Trustee, or to the Authority and the Trustee by the Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds; provided, however, that if in the reasonable opinion of the Authority the failure stated in such notice can be corrected, but not within such 60-day period, the Trustee and such Owners shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Authority within such 60-day period and diligently pursued until such failure is corrected.

(d) An Event of Default occurs pursuant to Section 6.01 of the Lease.

**Section 8.02 Remedies.** Upon the occurrence of an Event of Default the Trustee shall have the right:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the Authority or any member, officer or employee thereof, and to compel

the Authority or any such member, officer or employee to perform and carry out its or his duties under law and the agreements and covenants required to be performed by it or him contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee; or

(c) by suit in equity upon the happening of an Event of Default to require the Authority and its members, officers and employees to account as the trustee of an express trust.

If an Event of Default shall have occurred and be continuing and if requested to do so by the Owners of at least 25% in aggregate principal amount of Outstanding Bonds and indemnified as provided in Section 6.02(c), the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article VIII, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bond Owners.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or the Bond Owners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or the Bond Owners hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

**Section 8.03 Application of Revenues and Other Funds After Default.** All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid;

First, to the payment of the fees, costs and expenses of the Trustee incurred in the performance of its duties and the exercise of any remedies, including any amounts owed to it pursuant to Section 6.03, including reasonable compensation to its agents, attorneys and counsel; and

Second, to the payment of the whole amount of interest on and principal of the Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the lesser of the rate of interest payable on the Bonds or the maximum rate permitted by law, provided, however, that in the event such amounts shall be insufficient to pay in full the full amount of such interest and principal, then such amounts shall be applied in the following order of priority:

(a) *first*, to the payment of all installments of interest on the Bonds then due and unpaid, on a pro rata basis in the event that the available amounts are insufficient to pay all such interest in full,

(b) *second*, to the payment of principal of all installments of the Bonds then due and unpaid, on a pro rata basis in the event that the available amounts are insufficient to pay all such principal in full,

(c) *third*, to the payment of interest on overdue installments of principal and interest, on a pro rata basis in the event that the available amounts are insufficient to pay all such interest in full.

**Section 8.04 Power of Trustee to Control Proceedings.** In the event that the Trustee shall have, upon the happening of an Event of Default, taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, it shall have full power; in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation and if the Trustee is indemnified as provided in Section 6.02(c). Any suit, action or proceeding which any Owner of Bonds shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners of Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder by taking and holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners of the Bonds for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact.

**Section 8.05 Appointment of Receivers.** Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bond Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Revenues and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 8.06 Non-Waiver.** Nothing in this Article VIII or in any other provision of this Indenture, or in the Bonds, shall affect or impair the obligation of the Authority to pay the interest on and principal of the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, out of the Revenues and other moneys herein pledged for such payment.

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

**Section 8.07 Rights of Bond Owners.** No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the

occurrence of a Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

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

**Section 8.08 Termination of Proceedings.** In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the Authority, the Trustee and the Bond Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

## **ARTICLE IX**

### **DEFEASANCE OF BONDS**

**Section 9.01 Discharge of Bonds.** If the Authority shall pay and discharge any or all of the Outstanding Bonds in any one or more of the following ways:

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

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

(c) by irrevocably depositing with the Trustee or an escrow agent, in trust, Federal Securities in such amount as an Independent Certified Accountant shall determine in a written report filed with the Trustee (upon which report the Trustee may conclusively rely) will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established with the Trustee pursuant to this Indenture, be fully sufficient to pay and

discharge the indebtedness on such Outstanding Bonds (including all principal and interest thereon) at or before their respective maturity dates;

then, at the Written Request of the Authority, and notwithstanding that any of such Outstanding Bonds shall not have been surrendered for payment, the pledge of the Revenues and other funds provided for in this Indenture with respect to such Outstanding Bonds, and all other pecuniary obligations of the Authority under this Indenture with respect to all such Outstanding Bonds, shall cease and terminate, except only the obligation of the Authority to pay or cause to be paid to the Owners of such Outstanding Bonds not so surrendered and paid all sums due thereon from amounts set aside for such purpose as aforesaid, and all expenses and costs of the Trustee; subject, however, to the additional requirements set forth in Section 9.02. Any moneys held by the Trustee following payment in full or discharge of all Outstanding Bonds pursuant to this Section, which are not required for said purposes, shall be paid over to the County.

**Section 9.02 Provisions and Restrictions with Respect to Defeasance.** In the event the Authority shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid and discharged, within the meaning and with the effect expressed in Section 9.01, all then Outstanding Bonds, then, notwithstanding the provisions of Section 9.01, the Bonds shall not be deemed to have been paid within the meaning and with the effect expressed in Section 9.01 unless, in addition to all other requirements of Section 9.01:

(a) The Authority shall have delivered to the Trustee a Written Certificate of the Authority to the effect that:

(i) the Authority is then in compliance with Section 5.07;

(ii) the Authority has irrevocably deposited or caused to be deposited with the Trustee such moneys, securities, documents and other things and issued such irrevocable instructions to the Trustee so that any remaining and continuing applicable requirements of the Code, with respect to the Bonds, from compliance with which the Authority has not theretofore been relieved under the provisions of Section 9.01, are ministerial and reportorial in nature; and

(iii) the Authority has irrevocably authorized the Trustee and/or another agent satisfactory to the Trustee, and delegated to the Trustee or such agent the authority, to perform such remaining and continuing applicable requirements on the Authority's behalf, and such Trustee has undertaken to do so.

(b) There shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that, based upon the matters set forth in the Written Certificate of the Authority described in (a) above and assuming compliance by the Trustee or such agent with its undertaking described in (a)(iii) above, no further action by or on the part of the Authority will be required under the applicable requirements of the Code to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

## ARTICLE X

### MISCELLANEOUS

**Section 10.01 Limited Liability of Authority.** Notwithstanding anything in this Indenture contained, the Authority shall not be required to advance any moneys derived from any source of income other than the Revenues for the payment of the principal of or interest on the Bonds, or for the performance of any covenants herein contained (except to the extent any such covenants are expressly payable hereunder from the Revenues or otherwise from amounts payable under the Lease). The Authority may, but shall have no duty or obligation to, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the Authority for such purpose without incurring indebtedness.

The Bonds shall be revenue bonds, payable exclusively from the Revenues and such other funds as provided in this Indenture. The general fund of the Authority is not liable, and the credit of the Authority is not pledged, for the payment of the interest on or principal of the Bonds. The Owners of the Bonds shall never have the right to compel the forfeiture of any property of the Authority except the Revenues and other funds pledged to the payment of the Bonds as provided in this Indenture. The principal of and interest on the Bonds shall not be a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority or upon any of its income, receipts or revenues except the Revenues and other funds pledged to the payment thereof as provided in this Indenture.

**Section 10.02 Benefits of Indenture Limited to Parties.** Nothing in this Indenture expressed or implied is intended to give to any person other than the Authority, the Trustee, the County and the Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Trustee, the County and the Owners of the Bonds.

**Section 10.03 Successor Is Deemed Included in All References to Predecessor.** Whenever in this Indenture or any Supplemental Indenture the Authority is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions, with respect to the management, administration and control of the affairs of the Authority, that are presently vested in the Authority, and all the covenants, agreements and provisions contained in this Indenture by or on behalf of the Authority shall bind and inure to the benefit of its successors whether so expressed or not.

**Section 10.04 Content of Written Certificates and Opinions.** Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the person or persons making or giving such certificate or opinion have read such covenant or conditions and the definitions herein relating thereto; (b) a brief statement as to the nature, and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an Authorized Authority Officer may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of the Authority, or upon the certificate or opinion of or representations by an officer or officers of the Authority, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

**Section 10.05 Execution of Documents by Bond Owners.** Any request, consent or other instrument required by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Bond Owners in person or by their agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Authority if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgements of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him the execution thereof.

The ownership of Bonds shall be proved by the Registration Books. Any request, consent or vote of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of any Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in pursuance of such request, consent or vote. In lieu of obtaining any demand, request, direction, consent or waiver in writing, the Trustee may call and hold a meeting of the Bond Owners upon such notice and in accordance with such rules and obligations as the Trustee considers fair and reasonable for the purpose of obtaining any such action.

**Section 10.06 Disqualified Bonds.** In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the County or the Authority (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided, however, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned or held shall be disregarded.

**Section 10.07 Waiver of Personal Liability.** No member of the Board of Directors, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the interest on or principal of the Bonds; but nothing herein contained shall relieve any such officer, agent, or employee from the performance of any official duty provided by law.

**Section 10.08 Partial Invalidity.** If any one or more of the covenants or agreements, or portions thereof, provided in this Indenture on the part of the Authority (or of the Trustee) to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Indenture or of the Bonds; but the Bond Owners shall retain all rights and benefits accorded to them under the Act or any other applicable provisions of law.

**Section 10.09 Destruction of Cancelled Bonds.** Whenever in this Indenture provision is made for the surrender to the Authority of any Bonds that have been paid or cancelled pursuant to the provisions of this Indenture, the Authority may, by a Written Request of the Authority, direct the Trustee to destroy such Bonds and furnish to the Authority a certificate of such destruction.

**Section 10.10 Funds and Accounts.** Any fund or account required by this Indenture to be established and maintained by the Authority or the Trustee may be established and maintained in the accounting records of the Authority or the Trustee, as the case may be, either as a fund or an account, and may, for the purpose of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account. All such records with respect to all such funds and accounts held by the Authority shall at all times be maintained in accordance with generally accepted accounting principles and all such records with respect to all such funds and accounts held by the Trustee shall be at all times maintained in accordance with industry practices; in each case with due regard for the protection of the security of the Bonds and the rights of every Owner thereof. The Trustee may establish such funds or accounts it may deem necessary to under this Indenture, including to facilitate the deposit and transfer of proceeds of the Bonds.

**Section 10.11 Payment on Business Days.** Whenever in this Indenture any amount is required to be paid on a day that is not a Business Day, such payment shall be required to be made, without accruing additional interest thereby, on the Business Day immediately following such day.

**Section 10.12 Notices.** Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

If to the Authority:	South Orange County Public Financing Authority County of Orange Hall of Administration 333 West Santa Ana Boulevard, Third Floor Santa Ana, California 92702 Attn: Public Finance Director
----------------------	---

If to the County:	County of Orange Hall of Administration 333 West Santa Ana Boulevard, Third Floor Santa Ana, California 92702 Attn: Public Finance Director
-------------------	---

If to the Trustee:                      Zions Bank, a division of ZB, N.A.  
550 South Hope Street, Suite 2875  
Los Angeles, California 90071  
Attn: Corporate Trust Department

The Authority and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

**Section 10.13 Unclaimed Moneys.** Anything in this Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds that remain unclaimed for two years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for two years after the date of deposit of such moneys if deposited with the Trustee after said date when such Bonds become due and payable, shall, at the Written Request of the Authority, be repaid by the Trustee to the Authority, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Authority for the payment of such Bonds; provided, however, that before being required to make any such payment to the Authority, the Trustee shall, at the expense of the Authority, cause to be mailed to the Owner of all such Bonds, at their respective addresses appearing on the Registration Books, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall not be less than 30 days after the date of mailing of such notice, the balance of such moneys then unclaimed will be returned to the Authority.

**Section 10.14 Governing Law.** This Indenture shall be construed and governed in accordance with the laws of the State of California, without reference to conflict of law provisions.

**Section 10.15 Execution in Counterparts.** This Indenture may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Indenture. It is also agreed that separate counterparts of this Indenture may separately be executed by the Authority and the Trustee, all with the same force and effect as though the same counterpart had been executed by both the Authority and the Trustee.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be signed by their respective officers, all as of the day and year first above written.

SOUTH ORANGE COUNTY PUBLIC FINANCING  
AUTHORITY

By: \_\_\_\_\_  
Public Finance Director of the County of Orange

Attest:

\_\_\_\_\_  
Secretary

ZIONS BANK, A DIVISION OF ZB, N.A., as  
Trustee

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

**EXHIBIT A**  
**FORM OF BOND**

***UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE AUTHORITY OR 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.***

No. R- \_\_\_\_\_ \$ \_\_\_\_\_

SOUTH ORANGE COUNTY PUBLIC FINANCING AUTHORITY  
CENTRAL UTILITY FACILITY LEASE REVENUE BONDS  
SERIES 2016

RATE OF INTEREST:      MATURITY DATE:      DATED DATE:      CUSIP:  
%      \_\_\_\_\_, 2016

REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:      \_\_\_\_\_

The SOUTH ORANGE COUNTY PUBLIC FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues, as defined in the Indenture hereinafter referred to, and certain other moneys) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above or any earlier redemption date, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to September 15, 2016, in which event it shall bear interest from the Dated Date identified above; provided, however, that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest herein has previously been paid or made available for payment), payable semiannually on April 1 and October 1 in each year, commencing October 1, 2016 (the "Interest Payment Dates"), until payment of such Principal Amount in full.

The Principal Amount hereof is payable upon presentation hereof upon maturity or earlier redemption at the principal corporate trust office (the "Trust Office") of Zions Bank, a division of ZB, N.A., as trustee (together with any successor thereof, the "Trustee"), in Los Angeles, California, or at such other location as is designated by the Trustee from time to time. Interest hereon is payable

by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of the Registered Owner as it appears on the registration books of the Trustee as of the first calendar day of the month in which such Interest Payment Date occurs.

This Bond is one of a duly authorized issue of bonds of the Authority designated the “South Orange County Public Financing Authority Central Utility Facility Lease Revenue Bonds, Series 2016, limited in principal amount to \$\_\_\_\_\_ and secured by an Indenture, dated as of June 1, 2016 (as originally executed and as it may be amended or supplemented, the “Indenture”), by and between the Authority and the Trustee. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the owners of the Bonds, of the nature and extent of the Revenues (as that term is defined in the Indenture), of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder; and all of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the Registered Owner hereof, and to all of the provisions of which Indenture the Registered Owner hereof, by acceptance hereof, assents and agrees.

The Bonds are authorized to be issued pursuant to the provisions of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”). The Bonds are special obligations of the Authority and, to the extent set forth in the Indenture, are payable solely from and secured by a first lien on and pledge of the Revenues and certain other moneys and securities held by the Trustee as provided in the Indenture. All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the Revenues and such other moneys and securities, and the Revenues and such other moneys and securities constitute a trust fund for the security and payment of the principal of and interest on the Bonds. The full faith and credit of the Authority is not pledged for the payment of the principal of or interest on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Authority or any of its income or receipts, except the Revenues and such other moneys and securities as provided in the Indenture.

The Bonds have been issued for the purpose of financing certain public capital improvements of the County of Orange, California (the “County”). In connection with the issuance of the Bonds, the County and the Authority have entered into a Site Lease dated as of June 1, 2016, pursuant to which the County has leased the Leased Facilities to the Authority, and a Lease dated as of June 1, 2016, pursuant to which the Authority has leased back the Leased Facilities to the County.

The Bonds maturing on or before April 1, 20\_\_ are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after April 1, 20\_\_, shall be subject to optional redemption, in whole or in part from such maturities as are selected by the Authority in integral multiples of \$5,000 (notice of which determination shall be given by the Authority to the Trustee), on any date on or after April 1, 20\_\_, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds and Additional Bonds are subject to redemption on any date prior to their respective stated maturities, upon notice as provided in the Indenture, as a whole or in part as nearly as practicable on a pro-rata basis among maturities in integral multiples of \$5,000 as determined by the Trustee (notice of which determination shall be given by the Trustee to the Authority and the County), from title and property insurance proceeds and eminent domain proceeds, to the extent provided in the Lease, at a redemption price equal to the sum of the principal amount thereof, without

premium, plus accrued interest thereon to the redemption date. Interest on such Bonds will not accrue from and after the redemption date.

The Bonds maturing on April 1, 20\_\_ are subject to mandatory sinking fund redemption in part (by lot) on each April 1 on and after April 1, 20\_\_, in integral multiples of \$5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

<b><i>Sinking Fund Redemption Date</i></b>	<b><i>Principal Amount</i></b>
<b><i>(April 1)</i></b>	<b><i>To Be Redeemed</i></b>

(maturity)

Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, this Bond may be exchanged at the Trust Office of the Trustee for a like aggregate principal amount and maturity of fully registered Bonds of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary.

The Indenture and the rights and obligations of the Authority and of the owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture.

This Bond shall not be entitled to any benefit under the Indenture (as such term is defined on the reverse side hereof), or become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signatures of its Chair and Secretary all as of the Dated Date set forth above.

**SOUTH ORANGE COUNTY PUBLIC  
FINANCING AUTHORITY**

By \_\_\_\_\_  
Chairman of the Board of Directors

Attest:

\_\_\_\_\_  
Secretary of the Board of Directors

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the Bonds described in the within-mentioned Indenture registered on the Bond Registration Books.

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

Zions Bank, a division of ZB, N.A., as Trustee

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

## [FORM OF ASSIGNMENT]

For value received, the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_, whose tax identification number is \_\_\_\_\_, the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney to transfer the same on the books of the Trustee with full power of substitution in the premises.

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

Signature guaranteed:

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

NOTE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

**EXHIBIT B**  
**DESCRIPTION OF PROJECT**

[TO COME]