

Orange Countywide Oversight Board

Date: 7/30/2019

Agenda Item No. 4A

From: Successor Agency to the Buena Park Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Authorizing Issuance of Refunding Bonds

Recommended Action:

Approve resolution to authorize issuance of refunding bonds by the Successor Agency to the Community Redevelopment Agency of the City of Buena Park.

The Buena Park Successor Agency requests approval of a resolution authorizing the issuance of refunding bonds by the Successor Agency to the Community Redevelopment Agency of the City of Buena Park.

The Dissolution Act authorizes refinancing of the former redevelopment agency debt if debt service on the bonds can be reduced. Refinancing of outstanding municipal bonds is generally referred to as “refunding” and the bonds issued for this purpose are referred to as “Refunding Bonds.”

There are currently 3 remaining series of outstanding bonds issued by the former Community Redevelopment Agency of the City of Buena Park (Former Agency). The outstanding bonds (after the upcoming September 1, 2019 payment) total \$63,565,000 as shown below:

	<u>2003 Bonds</u>	<u>2008 Series A</u>	<u>Taxable 2008 Series B</u>
Outstanding	\$7,405,000	\$44,875,000	\$11,285,000
Final Maturity	2024	2035	2023
Average Interest Rate	4.83%	4.99%	2.50%

The Successor Agency’s Financial Advisor estimates that refinancing of the 2003 Bonds (maturing in 5 years) will be at an effective rate of 1.55% and the refinancing of the 2008 Series A Bonds (maturing in 16 years) will be at an effective rate of 2.40%. The Financial Advisor also recommends refinancing the taxable 2008 Series B Bonds (maturing in 4 years). The 2008 Series B Bonds were issued on a taxable basis, and the refunding of those bonds must also be done on a taxable basis, which carries a slightly higher interest rate than the same maturity of tax-exempt bonds. The estimated effective rate for refinancing of the taxable bonds is 2.7%. While refinancing the 2008 Series B Bonds does not produce any additional economic benefit on a stand-alone basis, there are legal provisions in the 2008 Series B Bonds that, if left outstanding, would make it not possible to refinance the other 2 series of bonds and realize the debt service savings. Refinancing the 2008 Series B Bonds at the same time as the other 2 series would eliminate those restrictions. Further, there are administrative benefits to combining all three outstanding series of bonds into one Successor Agency issuance.

As noted, the repayment of the Successor Agency Refunding Bonds is scheduled to occur over the same term as the existing bonds. Each component of the Refunding Bonds is structured based on the original maturity of the separate series of outstanding bonds as shown on the following pages.

2003 Bonds Refunding Component

	2003 Bonds	Allocable Share Refunding Bonds	
	<u>Debt Service</u>	<u>Debt Service</u>	<u>Savings</u>
2019-20 (1)	\$ 151,210	\$ 83,000	\$ 68,210
2020-21	1,640,120	1,242,000	398,120
2021-22	1,639,420	1,202,000	437,420
2022-23	1,640,680	1,195,000	445,680
2023-24	1,638,770	1,196,000	442,770
2024-25 (2)	<u>1,633,600</u>	<u>1,194,000</u>	<u>439,600</u>
	\$8,343,800	\$6,112,000	\$2,231,800

(1) Excludes September 1, 2019 Payment Prior to Refunding Date

(2) Final Payment September 1, 2024

2008A Bonds Refunding Component

	2008A Bonds	Allocable Share Refunding Bonds	
	<u>Debt Service</u>	<u>Debt Service</u>	<u>Savings</u>
2019-20 (1)	\$ 1,257,744	\$ 569,000	\$ 688,744
2020-21	3,247,675	2,629,000	618,675
2021-22	3,260,663	2,356,000	904,663
2022-23	3,294,588	2,378,000	916,588
2023-24	3,264,350	2,360,000	904,350
2024-25	4,055,050	2,930,000	1,125,050
2025-26	5,292,344	3,826,000	1,466,344
2026-27	5,285,375	3,823,000	1,462,375
2027-28	5,280,025	3,819,000	1,461,025
2028-29	5,274,500	3,819,000	1,455,500
2029-30	5,270,703	3,817,000	1,453,703
2030-31	4,912,938	3,560,000	1,352,938
2031-32	4,903,484	3,552,000	1,351,484
2032-33	4,901,938	3,551,000	1,350,938
2033-34	4,115,094	2,983,000	1,132,094
2034-35	4,096,875	2,977,000	1,119,875
2035-36 (2)	<u>3,449,531</u>	<u>2,506,000</u>	<u>943,531</u>
	\$71,162,875	\$51,455,000	\$19,707,875

(1) Excludes September 1, 2019 Payment Prior to Refunding Date

(2) Final Payment September 1, 2035

2008A Bonds Refunding Component

	2008B Bonds	Allocable Share Refunding Bonds	
	<u>Debt Service</u>	<u>Debt Service</u>	<u>Savings</u>
2019-20 (1)	\$ 352,826	\$ 89,000	\$263,826
2020-21	3,200,144	2,891,000	309,144
2021-22	3,189,283	2,843,000	346,283
2022-23	3,183,261	2,836,000	347,261
2023-24 (2)	<u>3,176,296</u>	<u>2,836,000</u>	<u>340,296</u>
	\$13,101,809	\$11,495,000	\$1,606,809

(1) Excludes September 1, 2019 Payment Prior to Refunding Date

(2) Final Payment September 1, 2023

In order to refinance \$63.5 million of outstanding tax allocation bonds, it is estimated that the Successor Agency will need to raise approximately \$59.1 million from the sale of the Refunding Bonds. Based on current market conditions, the par amount of the Refunding Bonds is estimated to be \$50,690,000, issued with an original issue premium of \$8,455,000, and will provide total funding of \$59,145,000. The table below provides the anticipated size of the bond issue, including funding of the costs of issuance.

Outstanding Bonds Redemption	\$58,233,000
Cost of Issuance	286,000
Underwriting Commission	237,000
Bond Insurance	<u>389,000</u>
Total Bond Proceeds	\$59,145,000
Original Issue Premium	<u>(8,455,000)</u>
Par Amount of Refunding Bonds Issued	\$50,690,000

The cost shown for the outstanding bond redemption is net of funds available in the reserve fund held by the trustee for the 2003 and 2008 Bonds of approximately \$7.3 million. It is not anticipated that a reserve fund for the Successor Agency Refunding Bonds will be funded with bond proceeds.

An original issue premium (as shown in the table above) is generated when investors want to hedge against rising interest rates and require a high stated interest rate (such as 5.0%), but price the bonds to yield a lower current market interest rate (such as 2.0%) and therefore pay the Successor Agency more than 100% of the face value of the bonds, resulting in a lower par amount of bonds required to be issued.

The par amount of the Refunding Bonds will be subject to prevailing market conditions at the time of sale. Therefore the Successor Agency approved a not-to-exceed par amount of \$60 million to provide a reasonable cushion above the expected par amount should interest rates fluctuate or if the Refunding Bonds are priced without an original issue premium based on investor preference at the time of sale. The amount of the Refunding Bonds issued will only be the amount necessary to refinance the outstanding bonds and pay the costs as shown above.

Impact on Taxing Entities

The total debt service savings over the remaining 16 years that the existing bonds are outstanding is estimated today at approximately \$23.55 million. After applying the \$7.24 million existing bonds reserves held by the trustee toward the existing bonds debt service, the net debt service savings over the remaining 16 years that the existing bonds are outstanding is estimated today at approximately \$16.31 million as shown on the following page.

All Refunding Components

	Existing Bonds	Refunding Bonds	
	<u>Debt Service</u>	<u>Debt Service</u>	<u>Savings</u>
2019-20 (1)	\$ 1,761,779	\$ 741,000	\$1,020,779
2020-21	8,087,939	6,762,000	1,325,939
2021-22	8,089,365	6,401,000	1,688,365
2022-23	8,118,528	6,409,000	1,709,528
2023-24	8,079,416	6,392,000	1,687,416
2024-25	5,688,650	4,124,000	1,564,650
2025-26	5,292,344	3,826,000	1,466,344
2026-27	5,285,375	3,823,000	1,462,375
2027-28	5,280,025	3,819,000	1,461,025
2028-29	5,274,500	3,819,000	1,455,500
2029-30	5,270,703	3,817,000	1,453,703
2030-31	4,912,938	3,560,000	1,352,938
2031-32	4,903,484	3,552,000	1,351,484
2032-33	4,901,938	3,551,000	1,350,938
2033-34	4,115,094	2,983,000	1,132,094
2034-35	4,096,875	2,977,000	1,119,875
2035-36 (2)	<u>3,449,531</u>	<u>2,506,000</u>	<u>943,531</u>
	\$92,608,484	\$69,062,000	\$23,546,484
	Less 2003/2008 Bonds Reserve Funds		(7,235,038)
	Net Debt Service Savings		<u>\$16,311,446</u>

(1) Excludes September 1, 2019 Payment Prior to Refunding Date

(2) Final Payment September 1, 2035

These savings will reduce the requested Redevelopment Property Tax Trust Fund (RPTTF) funding for enforceable obligations, resulting in increased residual RPTTF available to be distributed to all taxing agencies.

In FY 2018-19, there was \$26.4 million of residual RPTTF distributed among all taxing as follows:

County	\$ 1,574,293	6.0%
K-12 Schools	11,950,327	45.2%
Community Colleges	1,783,007	6.7%
County Office of Education	936,380	3.5%
ERAF	4,329,061	16.4%
City of Buena Park	3,082,478	11.7%
Special Districts	<u>2,773,485</u>	<u>10.5%</u>
Total Residual	\$26,429,031	100.0%

Assuming that the \$16.31 million savings created by the issuance of the Refunding Bonds are not applied to other enforceable obligations of the Successor Agency, the additional residual RPTTF over the next 16 years would be distributed as follows:

	<u>Total</u>	<u>Average Annual</u>	<u>% Share</u>
County	\$ 978,600	\$ 61,200	6.0%
K-12 Schools	7,372,120	460,800	45.2%
Community Colleges	1,092,770	68,300	6.7%
County Office of Education	570,850	35,700	3.5%
ERAF	2,674,840	167,200	16.4%
City of Buena Park	1,908,270	119,300	11.7%
Special Districts	<u>1,712,550</u>	<u>107,000</u>	<u>10.5%</u>
Total Residual	\$ 16,310,000	\$1,019,500	100.0%

Since the ROPS 19-20 is already complete, any savings generated in FY 2019-20 from the lower debt service would be accumulated as a “Prior Period Adjustment” under the ROPS methodology and used to offset the Successor Agency’s RPTTF request in a subsequent year. The first year that the debt service for the Refunding Bonds will be incorporated into the ROPS will be for the upcoming ROPS 20-21.

The Successor Agency authorized the issuance of the Refunding Bonds on July 23, 2019. Final approval authority for any refinancing resides with Orange County Oversight Board (Oversight Board) and the Department of Finance (DOF).

The Successor Agency has prepared a resolution for the Orange Countywide Oversight Board (Oversight Board) to consider for the authorization of the issuance of the Refunding Bonds. The resolution authorizes sale of a principal amount of refunding bonds not-to-exceed \$60,000,000 to refinance the 2003 Bonds and the 2008 Bonds. The resolution provides that Refunding Bonds can only be issued if the debt service savings requirements of Health & Safety Code Section 34177.5(a)(1) are met and will be issued only in an amount necessary to refinance the outstanding bonds and pay the costs of issuance.

If the Oversight Board approves the resolution authorizing the issuance of the Refunding Bonds, the Oversight Board resolution will be transmitted to the Department of Finance (DOF). DOF then has approximately 60 days to review the transaction for conformity with the provisions of HSC 34177.5(a)(1) and approve the Successor Agency’s proceeding with the transaction.

The Successor Agency cannot enter the market to sell the Refunding Bonds until the DOF has approved the transaction. If the DOF takes the maximum allotted time for review, the Successor Agency will be in position to enter the market in early October. Between now and then, interest rates could increase and debt service savings may be reduced. Therefore, the current estimate of \$16.31 million savings to be shared among taxing agencies over the next 16 years is an estimate at this time. For every ¼% increase or decrease in the bonds interest rate, the total savings will be reduced or increased by \$1,000,000.

Staff Contact(s)

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Attachments

- Proposed Oversight Board Resolution authorizing issuance of refunding bonds
- Resolution from Successor Agency to the Community Redevelopment Agency of the City of Buena Park authorizing issuance of refunding bonds
- Form of Indenture
- Form of Escrow Agreement
- Debt Service Savings Analysis

Resolution No. 19-_____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT
BOARD DIRECTING THE SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF
BUENA PARK ON PREPARATION OF PROCEEDINGS FOR THE
REFUNDING OF OUTSTANDING 2003 AND 2008 BONDS,
APPROVING ISSUANCE AND SALE OF REFUNDING BONDS,
MAKING CERTAIN DETERMINATIONS AND PROVIDING OTHER
MATTERS RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (the “Code”), the Community Redevelopment Agency of the City of Buena Park (the “Former Agency”) has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Code, the City of Buena Park has elected to serve as the successor entity to the Former Agency (the “Successor Agency”); and

WHEREAS, in order to provide financing and refinancing for the Consolidated Redevelopment Project, the Former Agency has previously issued the following bonds:

- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2003 Tax Allocation Refunding Bonds issued in the aggregate principal amount of \$24,055,000 (the “2003 Bonds”),
- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Tax Allocation Bonds, Series A in the aggregate principal amount of \$48,800,000 (the “2008 Series A Bonds”), and
- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Taxable Tax Allocation Bonds, Series B in the aggregate principal amount of \$26,920,000 (the “2008 Series B Bonds”); and

WHEREAS, as provided in Section 34177.5(a)(1) of the Code, the Successor Agency is authorized to issue its bonds for the purpose of refunding the outstanding 2003 Bonds, the outstanding 2008 Series A Bonds and the outstanding 2008 Series B Bonds (collectively, the “Prior Bonds”), under Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Bond Law”), provided that the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds does not exceed the total remaining interest cost to maturity on the Prior Bonds to be refunded plus the remaining principal of the Prior Bonds to be refunded (the “Minimum Savings Threshold”); and

WHEREAS, pursuant to Section 34179 of the Code, this oversight board (the “Oversight Board”) has been established for former redevelopment agencies in Orange County, including the Successor Agency; and

WHEREAS, the City Council acting as the governing board of the Successor Agency has adopted its resolution on July 23, 2019 (the “Successor Agency Resolution”) under which the Successor Agency has authorized the issuance of a series of tax-exempt refunding bonds and a series of taxable refunding bonds (the “Refunding Bonds”) under the Refunding Bond Law for the purpose of refunding all or a portion of the outstanding Prior Bonds, provided that the Minimum Savings Threshold is achieved with respect to the refunding of the Prior Bonds as set forth in Section 34177.5(a)(1) of the Code; and

WHEREAS, in the Successor Agency Resolution, the Successor Agency has requested that the Oversight Board direct the Successor Agency to undertake proceedings for the issuance of the Refunding Bonds; and

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon approval by the California Department of Finance, the Successor Agency is expected to sell the Refunding Bonds on a negotiated basis to Stifel Nicolaus & Company, Incorporated, such sale to be accomplished pursuant to a bond purchase agreement in the form approved by the Successor Agency pursuant to the Successor Agency Resolution; and

WHEREAS, the Successor Agency has caused an analysis to be made of the potential savings that will accrue to the Successor Agency and other affected taxing entities as a result of the overall refunding of the Prior Bonds (the “Debt Service Savings Analysis”) and has presented the Debt Service Savings Analysis to the Oversight Board for its consideration; and

WHEREAS, the Oversight Board has completed its review of the refunding proceedings and wishes at this time to give its approval to the issuance and sale of the Refunding Bonds by the Successor Agency and certain matters relating thereto;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

SECTION 1. Debt Service Savings Analysis. The Successor Agency has filed the Successor Agency Resolution and the Debt Service Savings Analysis with the Oversight Board, which Debt Service Savings Analysis is hereby approved as demonstrating the potential savings that may result from the overall refunding of the Prior Bonds.

SECTION 2. Direction to Refund. As requested by the Successor Agency in the Successor Agency Resolution, the Oversight Board hereby directs the Successor Agency to undertake the refunding of all or a portion of the outstanding Prior Bonds, as determined by the Successor Agency. As set forth in the Successor Agency Resolution, the Refunding Bonds shall only be issued to refund the Prior Bonds in the event that the Minimum Savings

Threshold set forth in Section 34177.5(a)(1) of the Code is met with respect to such refunding.

SECTION 3. Approval of Issuance and Sale of the Refunding Bonds. As authorized by Sections 34177.5(f) and 34180 of the Code, the Oversight Board hereby approves the Successor Agency Resolution and the issuance by the Successor Agency of the Refunding Bonds pursuant to Section 34177.5(a)(1) of the Code and under the applicable provisions of the Refunding Law in the aggregate principal amount of not to exceed \$60,000,000, and as provided in the Successor Agency Resolution and the Indenture of Trust relating to the Refunding Bonds (the "Refunding Bonds Indenture") as approved pursuant to the Successor Agency Resolution, provided that the principal and interest payable with respect to the Refunding Bonds shall comply in all respects with the requirements of the Minimum Savings Threshold. The Oversight Board hereby approves the execution and delivery by the Successor Agency of all of the agreements, certificates and other documents which are approved pursuant to the Successor Agency Resolution.

SECTION 4. Determinations by the Oversight Board. The Oversight Board hereby determines (upon which determination the Successor Agency may rely in undertaking the refunding proceedings and the issuance and sale of the Refunding Bonds) that the authorization and sale of the Refunding Bonds, and the application of proceeds thereof to the refunding of the Prior Bonds and the payment of costs of issuance, as provided in the Refunding Bonds Indenture and authorized by §34177.5(a)(1) of the Code, shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, without the requirement for further approval from the Oversight Board, the California Department of Finance, the Orange County Auditor-Controller or any other person or entity other than the Successor Agency.

SECTION 5. Actions to Effectuate Resolution. The members and staff of the Oversight Board and the staff of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the Refunding Bonds Indenture.

SECTION 6. The Clerk of the Oversight Board shall certify to the adoption of this Resolution.

RESOLUTION NO. SA-20

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE CITY OF BUENA PARK COMMUNITY REDEVELOPMENT AGENCY, AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS TO REFINANCE OUTSTANDING 2003 AND 2008 BONDS OF THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK RELATING TO THE CONSOLIDATED REDEVELOPMENT PROJECT, REQUESTING CERTAIN ACTIONS AND FINDINGS BY OVERSIGHT BOARD, AND APPROVING RELATED DOCUMENTS AND MATTERS

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (the "Code"), the Community Redevelopment Agency of the City of Buena Park (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Code, the City Council of the City of Buena Park has adopted its resolution electing to serve as the successor entity to the Former Agency (the "Successor Agency"); and

WHEREAS, in order to provide financing and refinancing for the Consolidated Redevelopment Project (the "Redevelopment Project"), the Former Agency has previously issued the following bonds:

(a) the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2003 Tax Allocation Refunding Bonds issued in the aggregate principal amount of \$24,055,000 (the "2003 Bonds"),

(b) the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Tax Allocation Bonds, Series A in the aggregate principal amount of \$48,800,000 (the "2008 Series A Bonds"), and

(c) the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Taxable Tax Allocation Bonds, Series B in the aggregate principal amount of \$26,920,000 (the "2008 Series B Bonds"); and

WHEREAS, as provided in Section 34177.5(a)(1) of the Code, the Successor Agency is authorized to issue its bonds for the purpose of refunding the outstanding 2003 Bonds, 2008 Series A Bonds and 2008 Series B Bonds (collectively, the "Prior Bonds"), under Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Bond Law"), provided that the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds does not exceed the total remaining interest cost to maturity on the Prior Bonds to be refunded plus the remaining principal of the Prior Bonds to be refunded (the "Minimum Savings Threshold"); and

WHEREAS, pursuant to Section 34179 of the Code, an oversight board (the "Oversight Board") has been established for the Successor Agency and the Successor Agency has determined to request that the Oversight Board direct the Successor Agency to undertake proceedings for the issuance of a series of tax-exempt refunding bonds and a series of federally taxable refunding bonds for the Redevelopment Project (the "Refunding Bonds") under the Refunding Bond Law for the purpose

of refunding the Prior Bonds, provided that the Minimum Savings Threshold is achieved with respect to the refunding of the Prior Bonds as set forth in Section 34177.5(a)(1) of the Code, it being understood that such direction by the Oversight Board will enable the Successor Agency to recover its related costs in connection with such refunding proceedings as authorized by Section 34177.5(f) of the Code; and

WHEREAS, the Successor Agency has also determined to request that the Oversight Board approve the issuance, sale and delivery of the Refunding Bonds by the Successor Agency, as authorized by Section 34177.5(f) of the Code, and that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance, sale and delivery of the Refunding Bonds; and

WHEREAS, the Successor Agency has caused an analysis to be made of the potential savings that will accrue to the Successor Agency and other affected taxing entities as a result of such refunding (the "Debt Service Savings Analysis") and has determined to present the Debt Service Savings Analysis to the Oversight Board for its consideration; and

WHEREAS, following the action by the Oversight Board approving the issuance of the Refunding Bonds and upon approval by the California Department of Finance, the Successor Agency intends to approve the final form of an Official Statement and other financing documents relating to the Refunding Bonds; and

WHEREAS, as required by Government Code Section 5852.1 enacted January 1, 2018 by Senate Bill 450, attached hereto as Exhibit A is the information relating to the Refunding Bonds that has been obtained by the Successor Agency and is hereby disclosed and made public; and

WHEREAS, the City Council has previously approved a Debt Management Policy which complies with Government Code Section 8855, and the delivery of the Refunding Bonds will be in compliance with said policy;

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE CITY OF BUENA PARK COMMUNITY REDEVELOPMENT AGENCY, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities and that the Minimum Savings Threshold can be achieved by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund the Prior Bonds in full, as evidenced by the Debt Service Savings Analysis on file with the Secretary of the Successor Agency, which is hereby approved.

Section 2. Approval of Issuance of the Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under the Refunding Bond Law in the aggregate principal amount of not to exceed \$60,000,000 for the purpose of providing funds to refund all of the outstanding Prior Bonds. The Refunding Bonds may be issued in one or more series of bonds which are issued at the same or different times, and may consist of tax-exempt bonds, taxable bonds or any combination thereof. The Refunding Bonds shall only be issued to refund the Prior Bonds in the event that the Minimum Savings Threshold set forth in Section 34177.5(a)(1) of the Code is met with respect to such refunding, taken as a whole.

Section 3. Indenture of Trust. The Successor Agency hereby approves the Indenture of Trust (the "Indenture") between the Successor Agency and MUFG Union Bank, N.A., as trustee, prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. The Mayor of the City and the City Manager of the City, who has been appointed the chief administrative officer of the Successor Agency, and the Finance Director of the City, who has been appointed the chief financial officer of the Successor Agency (collectively, the "Authorized Officers"), each acting individually, are hereby authorized and directed to execute and deliver, and the City Clerk is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer who executes the Indenture shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

Section 4. Escrow Agreement. The Successor Agency hereby approves the Escrow Agreement (the "Escrow Agreement") among the Successor Agency and MUFG Union Bank, N.A., as escrow agent, prescribing the provisions for refunding all or a portion of the Prior Bonds. Each Authorized Officer, acting individually, is hereby authorized and directed to execute and deliver the Escrow Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer who executes the Escrow Agreement shall approve, such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement. The Successor Agency hereby authorizes the delivery and performance of the Escrow Agreement.

Section 5. Sale of Refunding Bonds; Bond Purchase Agreement. The Successor Agency hereby approves the sale of the Refunding Bonds on a negotiated basis to Stifel Nicolaus & Company, Incorporated, as underwriter (the "Underwriter"). The Refunding Bonds shall be sold to the Underwriter pursuant to the Bond Purchase Agreement (the "Bond Purchase Agreement") between the Successor Agency and Underwriter in substantially the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto as an Authorized Officer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof. An Authorized Officer is hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and in the name and on behalf of the Successor Agency. The Successor Agency hereby authorizes the delivery and performance of the Bond Purchase Agreement.

Section 6. Approval of Official Statement. The Successor Agency hereby approves the Preliminary Official Statement describing the Refunding Bonds, in substantially the form presented at this meeting and on file with the City Clerk; *provided, however*, that the Preliminary Official Statement presented at this meeting does not include information pertaining to assessed valuation of properties in the Redevelopment Project for fiscal year 2019-20, which an Authorized Officer is hereby authorized and directed to approve for inclusion in the Preliminary Official Statement when and as such information becomes available.

Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. Prior to the distribution of the Preliminary Official Statement, the City Manager is hereby authorized and directed, on behalf of the City, to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). The Final Official Statement, which shall include such changes and additions thereto deemed advisable by the City Manager, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Refunding Bonds. The City Manager is

authorized and directed to execute and deliver the Final Official Statement for and on behalf of the City, to deliver to the Underwriter a certificate with respect to the information set forth therein and to execute and deliver a Continuing Disclosure Certificate substantially in the form appended to the Final Official Statement.

Section 7. Approval of Continuing Disclosure Certificate. The Successor Agency hereby approves the Continuing Disclosure Certificate for the Refunding Bonds, in substantially the form attached to the Preliminary Official Statement, with such changes therein, deletions therefrom and additions thereto as an Authorized Officer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Successor Agency hereby authorizes the delivery and performance of the Continuing Disclosure.

Section 8. Further Approvals. Following the action by the Oversight Board approving the issuance of the Refunding Bonds and upon approval by the California Department of Finance, the Successor Agency intends to approve the final form of an Official Statement and other financing documents relating to the Refunding Bonds, and to take such further actions as may be required to implement the issuance, sale and delivery of the Refunding Bonds.

Section 9. Oversight Board Approval of the Issuance of the Refunding Bonds. The Successor Agency hereby requests that the Oversight Board approve the issuance, sale and delivery of the Refunding Bonds under this Resolution as above described.

Section 10. Filing of this Resolution. The Successor Agency Secretary is hereby authorized and directed to file a copy of this Resolution with the Oversight Board, together with the Debt Service Savings Analysis, and, as provided in Section 34180(j) of the Code, with the Orange County Administrative Officer, the Orange County Auditor-Controller and the California Department of Finance.

Section 11. Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the determination that the authorization and sale of the Refunding Bonds, and the application of proceeds thereof to the refunding of all or a portion of the Prior Bonds and the payment of costs of issuance, as provided in the Indenture and authorized by Section 34177.5(a) of the Code, shall be implemented by the Successor Agency, notwithstanding any other provision of law to the contrary, without the requirement for further approval from the Oversight Board, the California Department of Finance, the Orange County Auditor-Controller or any other person or entity other than the Successor Agency. The Successor Agency shall rely on such determination in undertaking the refunding proceedings and the issuance, sale and delivery of the Refunding Bonds.

Section 12. Engagement of Professional Services. In connection with the issuance and sale of the Refunding Bonds, the Successor Agency hereby authorizes the engagement of the services of the firm of Jones Hall, A Professional Law Corporation, to act as bond counsel to the Successor Agency; the firm of Harrell & Company Advisors, LLC to act as municipal advisor to the Successor Agency; and the firm of Stradling Yocca Carlson & Rauth, a Professional Corporation to act as disclosure counsel to the Successor Agency. An Authorized Officer is hereby authorized and directed to execute an agreement with each of such firms.

Section 13. Official Actions. The officers of the City, acting as Successor Agency, are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department

of Finance. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 14. Effective Date. This Resolution shall take effect from and after its passage and adoption.

PASSED AND ADOPTED this 23rd day of July 2019, by the following vote:

AYES: Smith, Park, Swift, Traut, Brown

NOES: None

ABSENT: None

ABSTAIN: None



Arthur L. Brown

Chairperson

ATTEST:

Adria M. Jimenez

Board Secretary

I, Adria M. Jimenez, MMC, Board Secretary of the Successor Agency to the City of Buena Park Community Redevelopment Agency, hereby certify that the foregoing resolution was duly and regularly passed and adopted at a regular meeting of the Board of the Successor Agency to the City of Buena Park Community Redevelopment Agency, held this 23rd day of July 2019.

Adria M. Jimenez

Board Secretary

THE FOREGOING INSTRUMENT IS A FULL, TRUE AND
CORRECT COPY OF THE ORIGINAL ON FILE IN THIS OFFICE.

ATTEST: *[Signature]*
CITY CLERK OF THE CITY OF BUENA PARK, CALIFORNIA

DATE: 07/24/2019

Exhibit A

REQUIRED DISCLOSURES PURSUANT TO
GOVERNMENT CODE SECTION 5852.1

1. True Interest Cost of the Refunding Bonds (Estimated): 2.40%
2. Finance charge of the Refunding Bonds, being the sum of all fees and charges paid to third parties, in the amount of approximately \$912,000.
3. Proceeds of the Refunding Bonds expected to be received by the Successor Agency, net of proceeds for Costs of Issuance in (2) above and reserves (if any) paid from the principal amount of the Refunding Bonds (Estimated): \$58,233,000.
4. Total Payment Amount for the Refunding Bonds, being the sum of all debt service to be paid on the Refunding Bonds to final maturity (\$69,061,000) together with annual bond administration expenses not included in (2) above (\$112,000) (Estimated): \$69,173,000.

**All amounts and percentages are estimates, and are made in good faith by the Successor Agency based on information available as of the date of adoption of this Resolution. Estimates include certain assumptions regarding tax-exempt and taxable rates available in the bond market at the time of pricing the Refunding Bonds.*

INDENTURE OF TRUST

dated as of November 1, 2019

between the

**SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF BUENA PARK**

and

**MUFG UNION BANK, N.A.,
*as Trustee***

Relating to

\$ _____
**Successor Agency to the Community
Redevelopment Agency of the
City of Buena Park
Tax Allocation Refunding Parity Bonds
2019 Series A**

\$ _____
**Successor Agency to the Community
Redevelopment Agency of the
City of Buena Park
Taxable Tax Allocation Refunding Parity Bonds
2019 Series B**

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INDENTURE OF TRUST

This INDENTURE OF TRUST (this "Indenture"), dated as of November 1, 2019, is between the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK, a public entity duly organized and existing under the laws of the State of California (the "Successor Agency"), and MUFG UNION BANK, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

B A C K G R O U N D :

1. The Community Redevelopment Agency of the City of Buena Park (the "Former Agency") was formerly a public body, corporate and politic, duly established and authorized to transact business and exercise powers under the provisions of Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Redevelopment Law").

2. Under the Redevelopment Law, the Former Agency and the City Council of the City of Buena Park have previously adopted a redevelopment plan for the Central Business District Redevelopment Project, the Project Area No. II, the Project No. III and the Buena Park Redevelopment Project No. IV in the City of Buena Park, and such four redevelopment projects have been merged pursuant to proceedings adopted in compliance with all requirements of the Redevelopment Law to create the Consolidated Redevelopment Project (the "Redevelopment Project").

3. In order to provide financing and refinancing for the Redevelopment Project, the Former Agency has previously issued the following bonds:

- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2003 Tax Allocation Refunding Bonds issued in the aggregate principal amount of \$24,055,000 (the "2003 Bonds");
- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Tax Allocation Bonds, Series A in the aggregate principal amount of \$48,800,000 (the "2008 Series A Bonds"); and
- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Taxable Tax Allocation Bonds, Series B in the aggregate principal amount of \$26,920,000 (the "2008 Series B Bonds").

4. Assembly Bill X1 26, effective June 29, 2011 (the "Dissolution Act"), resulted in the dissolution of the Former Agency and the vesting in the Successor Agency of all of the authority, rights, powers, duties and obligations of the Former Agency, and pursuant to the Dissolution Act the City Council of the City of Buena Park has adopted its resolution electing for the City to serve as the Successor Agency.

5. Under Section 34177.5(a)(1) of the Redevelopment Law, the Successor Agency is authorized to issue bonds under Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Bond Law") for the purpose of achieving debt service savings in accordance with the parameters set forth in said Section 34177.5(a)(1).

6. The Successor Agency has authorized the issuance of its Successor Agency to the Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Parity Bonds, 2019 Series A in the aggregate principal amount of \$_____ (the "Series A Bonds") for the purpose of refunding all of the outstanding 2003 Bonds and all of the outstanding 2008 Series A Bonds.

7. The Successor Agency has authorized the issuance of its Successor Agency to the Community Redevelopment Agency of the City of Buena Park Taxable Tax Allocation Refunding Parity Bonds, 2019 Series B in the aggregate principal amount of \$_____ (the "Series B Bonds"), for the purpose of refunding all of the outstanding 2008 Series B Bonds.

8. The refunding of the 2003 Bonds, the 2008 Series A Bonds and the 2008 Series B Bonds will achieve overall debt service savings in accordance with the provisions of Section 34177.5(a)(1) of the Redevelopment Law.

9. The Series A Bonds and the Series B Bonds (collectively, the "Bonds") will be secured by a pledge of and lien on the tax increment revenues derived from the Redevelopment Project which are deposited into the Redevelopment Property Tax Trust Fund and the Redevelopment Obligation Retirement Fund.

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

A G R E E M E N T :

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

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

SECTION 1.01. *Definitions.* Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms defined in Appendix A attached to this Indenture have the respective meanings specified in Appendix A when used in this Indenture. All terms defined in the recitals of this Indenture and not otherwise defined herein shall have the respective meanings given such terms in the recitals.

SECTION 1.02. *Authorization.* Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Indenture, and has taken all actions necessary to authorize the execution hereof by the officers and persons signing it.

SECTION 1.03. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS

SECTION 2.01. *Authorization and Purpose of Bonds.* The Successor Agency has reviewed all proceedings heretofore taken and as a result of such review has found, and hereby finds and determines, that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, under each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

The Successor Agency hereby authorizes the issuance of the Series A Bonds under the Refunding Bond Law, for the purpose of providing funds to refinance all of the outstanding 2003 Bonds and all of the outstanding 2008 Series A Bonds. The Series A Bonds shall be designated the "Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Parity Bonds, 2019 Series A" and shall be issued in the aggregate principal amount of \$_____.

The Successor Agency hereby authorizes the issuance of the Series B Bonds under the Refunding Bond Law, for the purpose of providing funds to refinance the outstanding 2008 Series B Bonds. The Series B Bonds shall be designated the "Community Redevelopment Agency of the City of Buena Park Taxable Tax Allocation Refunding Parity Bonds, 2019 Series B" and shall be issued in the aggregate principal amount of \$_____.

SECTION 2.02. *Terms of the Bonds.* The Bonds shall be dated as of the Closing Date and shall be issued in fully registered form without coupons. The Bonds shall mature on September 1 in each of the years, and shall bear interest at the respective rates of interest per annum, as set forth in the following tables:

Series A Bonds

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

Series B Bonds

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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Interest on the Bonds is payable by the Successor Agency from the Interest Payment Date next preceding the date of authentication thereof unless:

- (i) a Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date,
- (ii) a Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable by the Successor Agency from the Closing Date, or
- (iii) interest on any Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable by the Successor Agency from the date to which interest has been paid in full.

Interest on the Bonds (including the final interest payment upon maturity) is payable by check or draft of the Trustee mailed on the applicable Interest Payment Date to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; except that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the Bonds, which written request is on file with the Trustee as of any Record Date, interest on such Bonds shall be paid on the succeeding Interest Payment Date to such account as shall be specified in such written request. The principal of the Bonds at maturity is payable in lawful money of the United States of America upon presentation and surrender at the Office of the Trustee.

SECTION 2.03. *Redemption of Bonds.*

(a) Optional Redemption of Series A Bonds. The Series A Bonds maturing on or before September 1, 20__, are not subject to redemption prior to their respective stated maturities. The Series A Bonds maturing on or after September 1, 20__, are subject to redemption in whole, or in part at the Request of the Successor Agency among maturities on such basis as shall be designated by the Successor Agency and by lot within a maturity, at the option of the Successor Agency, on any date on or after September 1, 20__, from any available source of funds, at a redemption price equal to 100% of the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

The Successor Agency shall give the Trustee written notice of its intention to redeem Series A Bonds under this subsection (a), and the principal amount of each maturity to be redeemed at least 40 days in advance of the redemption date.

(b) Mandatory Sinking Fund Redemption of Term Bonds. The Term Bonds are subject to mandatory redemption in part by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on September 1 in the respective years as set forth in the following tables; *provided, however*, that if some but not all of the Term Bonds have been redeemed under subsection (a) of this Section, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of the Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis in integral multiples of \$5,000 (as set forth in a schedule provided by the Successor Agency to the Trustee).

**Mandatory Sinking Fund Redemption
of Series A Bonds Maturing on September 1, 20__**

Sinking Account
Redemption Date
(September 1)

Principal Amount
To Be Redeemed or
Purchased

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

(c) Notice of Redemption. The Trustee on behalf and at the expense of the Successor Agency shall send (by first class mail or such other means acceptable to the recipients thereof) 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 the Municipal Securities Rulemaking Board, at least 20 but not more than 60 days prior to the date fixed for redemption; *provided, however*, that neither failure to receive any such notice so mailed 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 Office of the Trustee identified in such notice for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date and with regard to optional redemption in the event that funds required to pay the redemption price are not on deposit under the Indenture at the time the notice of redemption is sent, a statement to the effect that the redemption is conditioned upon the receipt of the appropriate funds required to pay the redemption price by the Trustee on or prior to the redemption date.

(d) Right to Rescind Notice of Redemption. The Successor Agency has the right to rescind any notice of the optional redemption of Series A Bonds under subsection (a) of this Section by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of optional redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default. The Successor Agency and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall

mail notice of such rescission of redemption in the same manner as the notice of redemption was sent under subsection (c) of this Section.

(e) Manner of Redemption. Whenever provision is made in this Section for the redemption of less than all of the Bonds, the Trustee shall select the Bonds to be redeemed by lot in any manner which the Trustee in its sole discretion deems appropriate. For purposes of such selection, each Bond will be deemed to consist of individual bonds of \$5,000 denominations each which may be separately redeemed.

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

(g) Effect of Redemption. If notice of redemption has been duly mailed and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, from and after the date fixed for redemption such Bonds 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 specified in such notice. Unless otherwise directed in writing by the Successor Agency, the Trustee shall cancel and destroy all Bonds redeemed under this Section.

SECTION 2.04. *Book Entry System.*

(a) Original Delivery. The Bonds will be initially delivered in the form of a separate single fully registered bond (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the Trustee shall register the ownership of each Bond on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which is registered in the name of the Nominee, the Successor Agency and the Trustee have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Nominee holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, the Successor Agency and the Trustee have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed if the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal of and premium, if any, and interest

on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and the interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, under this Indenture. Upon delivery by the Depository to the Successor Agency of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter in no way limits the provisions of subsection (a) above or in any other way imposes upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. Upon the written acceptance by the Trustee, the Trustee shall agree to take all action reasonably necessary for all representations of the Trustee in such letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of such letter, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

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

If the Successor Agency determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Successor Agency may notify the Depository System Participants of the availability of such certificated Bonds through the Depository. In such event, the Trustee will issue, transfer and exchange Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the Successor Agency shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the Bonds to any Depository System Participant having Bonds

credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Bonds, all at the Successor Agency's expense.

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

SECTION 2.05. *Form and Execution of Bonds.* The Bonds will be initially delivered in the form of a separate single fully registered bond (which may be typewritten) for each maturity of the Bonds. The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, are set forth in Appendix B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

The Mayor of the City shall execute, and the City Clerk of the City shall attest each Bond in the name and on behalf of the Successor Agency. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on a Bond ceases to be such officer before the Closing Date, such signature will nevertheless be as effective as if the officer had remained in office until the Closing Date. A Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of that Bond are the proper officers of the Successor Agency, duly authorized to execute debt instruments on behalf of the Successor Agency, although on the date of that Bond any such person was not an officer of the Successor Agency.

Only those Bonds bearing a certificate of authentication in the form set forth in Appendix B, manually executed and dated by the Trustee, are valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee is conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.06. *Transfer and Exchange of Bonds.*

(a) Transfer. A Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of that Bond to the Trustee at its Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond or Bonds are surrendered for transfer, the Successor Agency will execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of like Series, interest rate, maturity and aggregate principal amount. The Trustee shall require the Owners of the Bonds requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The Successor Agency will pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer of Bonds.

(b) Exchange. The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of the same Series, interest rate and maturity. The Trustee shall require the Owners of the Bonds requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The Successor Agency will pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange of Bonds.

(c) Limitations. The Trustee may refuse to transfer or exchange, under the provisions of this Section, any Bonds selected by the Trustee for redemption under Section 2.03, or any Bonds during the period established by the Trustee for the selection of Bonds for redemption.

SECTION 2.07. *Registration Books*. The Trustee will keep or cause to be kept, at its Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours, and upon reasonable notice, be open to inspection by the Successor Agency; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Bonds as hereinbefore provided.

SECTION 2.08. *Bonds Mutilated, Lost, Destroyed or Stolen*. If a Bond is mutilated, the Successor Agency, at the expense of the Owner of that Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, upon surrender to the Trustee of the Bond so mutilated. The Trustee shall cancel every mutilated Bond surrendered to it and deliver such mutilated Bond to or upon the order of the Successor Agency. If a Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and if indemnity satisfactory to the Trustee is given, the Successor Agency, at the expense of the Owner, will execute, and the Trustee will thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the Trustee in connection therewith. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued under this Indenture.

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

ARTICLE III

DEPOSIT AND APPLICATION OF BOND PROCEEDS

SECTION 3.01. *Issuance of Bonds.* Upon the execution and delivery of this Indenture, the Successor Agency will execute and deliver the Bonds to the Trustee and the Trustee shall authenticate and deliver the Bonds to the Original Purchaser upon receipt of a Request of the Successor Agency therefor.

SECTION 3.02. *Deposit and Application of Bond Proceeds.*

(a) Series A Bond Proceeds. On the Closing Date, the proceeds of sale of the Series A Bonds shall be paid to the Trustee and applied by the Trustee as follows:

- (i) The Trustee shall deposit the amount of \$_____ in the Series A Costs of Issuance Fund.
- (ii) The Trustee shall transfer the amount of \$_____ to the Escrow Bank for deposit and application in accordance with the Escrow Agreement for the purpose of refunding all of the outstanding 2003 Bonds and 2008 Series A Bonds.

(b) Series B Bond Proceeds. On the Closing Date, the proceeds of sale of the Series B Bonds shall be paid to the Trustee and applied by the Trustee as follows:

- (i) The Trustee shall deposit the amount of \$_____ in the Series B Costs of Issuance Fund.
- (ii) The Trustee shall transfer the amount of \$_____ to the Escrow Bank for deposit and application in accordance with the Escrow Agreement for the purpose of refunding all of the outstanding 2008 Series B Bonds.

(c) Temporary Accounts for Transfers. The Trustee may establish a temporary fund or account to facilitate any of the transfers which are required to be made under this Section. Any such temporary fund or account shall be closed upon the transfer of all amounts therein under the foregoing subsections (a) and (b).

SECTION 3.03. *Series A Costs of Issuance Fund.* There is hereby established a separate fund to be known as the "Series A Costs of Issuance Fund", which the Trustee shall hold in trust. The Trustee shall disburse moneys in the Series A Costs of Issuance Fund from time to time to pay Costs of Issuance relating to the Series A Bonds upon submission of a Request of the Successor Agency stating (a) the person to whom payment is to be made, (b) the amounts to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the Series A Costs of Issuance Fund, and (e) that such amounts have not been the subject of a prior Request of the Successor Agency; in each case together with a statement or invoice for each amount requested thereunder. Each such Request of the Successor Agency shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On March 1, 2020, the Trustee shall transfer any

amounts remaining in the Series A Costs of Issuance Fund to the Debt Service Fund, and the Trustee shall thereupon close the Series A Costs of Issuance Fund.

SECTION 3.04. *Series B Costs of Issuance Fund.* There is hereby established a separate fund to be known as the "Series B Costs of Issuance Fund", which the Trustee shall hold in trust. The Trustee shall disburse moneys in the Series B Costs of Issuance Fund from time to time to pay Costs of Issuance relating to the Series B Bonds upon submission of a Request of the Successor Agency stating (a) the person to whom payment is to be made, (b) the amounts to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the Series B Costs of Issuance Fund, and (e) that such amounts have not been the subject of a prior Request of the Successor Agency; in each case together with a statement or invoice for each amount requested thereunder. Each such Request of the Successor Agency shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On March 1, 2020, the Trustee shall transfer any amounts remaining in the Series B Costs of Issuance Fund to the Debt Service Fund, and the Trustee shall thereupon close the Series B Costs of Issuance Fund.

SECTION 3.05. *Refunding and Defeasance of 2003 Bonds and 2008 Bonds.* The Successor Agency hereby covenants that as a result of the deposit and application of the proceeds of the Bonds and other available funds, the 2003 Bonds, the 2008 Series A Bonds and the 2008 Series B Bonds will be refunded and defeased on the Closing Date under and in accordance with the documents authorizing the issuance thereof, and the 2003 Bonds, the 2008 Series A Bonds and the 2008 Series B Bonds will cease to be secured by and payable from the Tax Revenues commencing on the Closing Date.

ARTICLE IV

SECURITY FOR THE BONDS; FLOW OF FUNDS; INVESTMENTS

SECTION 4.01. *Security of Bonds; Equal Security.* For the security of the Bonds, the Successor Agency hereby grants a pledge of and lien on all of the Tax Revenues which are on deposit in the Redevelopment Property Tax Trust Fund and the Redevelopment Obligation Retirement Fund, until their release pursuant to terms of this Indenture. Such pledge and lien are for the equal security of the Bonds and all outstanding Parity Debt without preference or priority for Series, issue, number, dated date, sale date, date of execution or date of delivery. In addition, the Bonds shall be secured by a first pledge of and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and in the Reserve Account. Except for the Tax Revenues and such moneys, no funds of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who hold the same from time to time, this Indenture constitutes a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency are for the equal and proportionate benefit, security and protection of all Owners of the Bonds and all

outstanding Parity Debt without preference, priority or distinction as to security or otherwise of any of the Bonds and all outstanding Parity Debt over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

SECTION 4.02. *Deposit and Application of Tax Revenues.* The Successor Agency has heretofore established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Redevelopment Law, which the Successor Agency shall continue to hold so long as any of the Bonds remain Outstanding or any amounts are due and owing to the Reserve Policy Provider in respect of the Reserve Policy. The Successor Agency shall deposit all of the Tax Revenues received in any Bond Year into the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency.

If the amounts on deposit in the Redevelopment Obligation Retirement Fund are at any time insufficient to enable the Successor Agency to make transfers as required hereunder to pay the principal of and interest on all outstanding Bonds and any Parity Debt in full when due, or to replenish the Reserve Account and the reserve accounts established for any outstanding Parity Debt, the Successor Agency shall make such transfers on a pro rata basis, without preference or priority among all outstanding Bonds and Parity Debt.

Any Tax Revenues received during a Bond Year and held in the Redevelopment Obligation Retirement Fund, to the extent remaining after making the transfers required by Section 4.03, shall be released from the pledge and lien hereunder which secures the Bonds and may be applied for any lawful purposes of the Successor Agency.

The provisions of this Section are subject in all respects to the provisions of the Dissolution Act and other provisions of the Redevelopment Law relating to the deposit and application of the Tax Revenues for the payment of the principal of and interest on the Bonds and any outstanding Parity Debt and for the replenishment of the Reserve Account and the reserve accounts established for any outstanding Parity Debt.

Notwithstanding the foregoing provisions, Tax Revenues shall not be released from the pledge and lien which secures the Bonds unless (a) the amount held on deposit in the Reserve Account at the time of such release is at least equal to the Reserve Requirement, and (b) no amounts are then due and owing to the Reserve Policy Provider in respect of the Reserve Policy.

SECTION 4.03. *Debt Service Fund; Transfer of Amounts to Trustee.* The Trustee shall establish the Debt Service Fund as a special trust fund, which the Trustee shall hold in trust so long as any of the Bonds remain Outstanding or any amounts are due and owing to [the Reserve Policy Provider in respect of the Reserve Policy](#). In addition to the transfers required with respect to payments of the principal of and interest on Parity Debt, within five Business Days following the receipt by the Successor Agency from the Orange County Auditor-Controller of any Tax Revenues, the Successor Agency shall deposit such Tax Revenues in the Redevelopment Obligation Retirement Fund pursuant to Section 4.02 and shall transfer such Tax Revenues from the Redevelopment Obligation Retirement Fund to the Trustee in the following amounts for deposit by the Trustee in the following respective special accounts within the Debt Service Fund, which accounts are hereby established with the Trustee, in the following order of priority:

- (a) Interest Account. The Successor Agency shall transfer to the Trustee for deposit in the Interest Account an amount which, when added to the amount then on deposit in the Interest Account, equals the aggregate amount of the interest coming due and payable on the Outstanding Bonds on such date. The Trustee shall apply amounts in the Interest Account solely for the purpose of paying the interest on the Bonds when due and payable.
- (b) Principal Account. The Successor Agency shall transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account, equals the amount of principal coming due and payable on such date on the Outstanding Bonds, including the principal amount of any Term Bonds which are subject to mandatory sinking fund redemption on such date pursuant to Section 2.03(b). The Trustee will apply amounts in the Principal Account solely for the purpose of paying the principal of the Bonds at the maturity and for the purpose of paying the redemption price of the Term Bonds upon the mandatory sinking fund redemption thereof pursuant to Section 2.03(b).
- (c) Reserve Account. If and to the extent required pursuant to Section 4.04, the Successor Agency shall transfer to the Trustee an amount of available Tax Revenues sufficient to maintain the Reserve Requirement on deposit in the Reserve Account (including the reimbursement of all amounts due and owing to the Reserve Policy Provider in respect of the Reserve Policy). Amounts in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account, in such order of priority, on any date which the principal of or interest on the Bonds becomes due and payable hereunder, in the event of any deficiency at any time in any of such accounts, or at any time for the retirement of all the Bonds then Outstanding. So long as no Event of Default has occurred and is continuing, any amount in the Reserve Account in excess of the Reserve Requirement on or before the sixth Business Day preceding each Interest Payment Date shall be withdrawn from the Reserve Account by the Trustee and deposited in the Interest Account.
- (d) Redemption Account. On or before the 5th Business Day preceding any date on which Bonds are subject to optional redemption under Sections 2.03(a), the Successor Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Redemption Account an amount required to pay the principal of and premium, if any, on the Bonds to be so redeemed on such date. The Trustee shall apply amounts in the Redemption Account solely for the purpose of paying the principal of and premium, if any, on the Bonds upon the optional redemption thereof under Sections 2.03(a), on the date set for such redemption.

SECTION 4.04. *Reserve Policy.* The Reserve Requirement will be initially maintained in the form of the issuance of the Reserve Policy. Under the terms and conditions of the Reserve Policy, the Trustee shall deliver to the Reserve Policy Provider a demand for payment under the Reserve Policy in the required form at least five Business Days before the date on which funds are required for the purposes set forth in Section 4.03(c). The Trustee shall comply with all of the terms and provisions of the Reserve Policy for the purpose of assuring that funds are available thereunder when required for the purposes of the Reserve Account, within the limits of the coverage amount provided by the Reserve Policy. All amounts drawn by the Trustee under the Reserve Policy will be deposited into the Reserve Account and applied for the purposes thereof.

If the Trustee has actual knowledge that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement (including as a result of a draw under the Reserve Policy), the Trustee shall promptly notify the Successor Agency and the Reserve Policy Provider of such fact and the Successor Agency shall replenish the amount on deposit in the Reserve Account to the full amount of the Reserve Requirement in accordance with the provisions of Section 4.03(c).

SECTION 4.05. *Investment of Moneys in Funds.* The Trustee shall invest moneys in any of the funds established and held by the Trustee hereunder in Permitted Investments specified in the Request of the Successor Agency (which Request will be deemed to include a certification that the specified investment is a Permitted Investment) delivered to the Trustee at least two Business Days in advance of the making of such investments. In the absence of any such direction from the Successor Agency, the Trustee shall invest any such moneys solely in Permitted Investments described in clause (d) of the definition thereof; *provided, however*, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a Request of the Successor Agency specifying a specific money market fund and, if no such Request of the Successor Agency is so received, the Trustee shall hold such moneys uninvested. The Successor Agency will invest moneys in the Redevelopment Obligation Retirement Fund in any obligations in which the Successor Agency is legally authorized to invest funds within its control.

Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account. Whenever in this Indenture any moneys are required to be transferred by the Successor Agency to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be retained in the respective fund or account from which such investment was made; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder upon receipt by the Trustee of the Request of the Successor Agency. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made under this Section.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor

Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency periodic transaction statements which include detail for all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

SECTION 4.06. *Valuation and Disposition of Investments.*

(a) Except as otherwise provided in subsection (b) of this Section, the Successor Agency covenants that all investments of amounts deposited in any fund or account created by or under this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Tax Code) shall be acquired, disposed of and valued (as of the date that valuation is required by this Indenture or the Tax Code) at Fair Market Value as such term is defined in subsection (d) below. The Trustee has no duty in connection with the determination of Fair Market Value other than to follow the investment directions of the Successor Agency in any Certificate or Request of the Successor Agency.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code and investments in the Reserve Account shall be valued at cost thereof (consisting of present value thereof within the meaning of Section 148 of the Tax Code); provided that the Successor Agency must inform the Trustee which funds are subject to a yield restriction, and must provide the Trustee with any necessary valuation criteria or formulae.

(c) Except as provided in the proceeding subsection (b), for the purpose of determining the amount in any fund, the Trustee shall value Permitted Investments credited to such fund at least annually at the Fair Market Value thereof. The Trustee may utilize computerized securities pricing services that may be available to it, including those available through its regular accounting system. If and as directed by the Successor Agency in writing, the Trustee shall sell or present for redemption any Permitted Investment so purchased by the Trustee whenever it is necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee has no liability or responsibility for any loss resulting therefrom.

(d) For purposes of this Section, the term "Fair Market Value" shall mean the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States

Treasury Security -- State and Local Government Series which is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

SECTION 5.01. *Punctual Payment.* The Successor Agency will 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 this Indenture. The Successor Agency will faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures. Nothing herein contained prevents the Successor Agency from making advances of other legally available funds to make any payment referred to herein.

SECTION 5.02. *Compliance with the Dissolution Act; Recognized Obligation Payment Schedules.* The Successor Agency shall comply with all of the requirements of the Dissolution Act. The Successor Agency shall take all actions required under the Dissolution Act to prepare and file Recognized Obligation Payment Schedules in each Bond Year so as to enable the Orange County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit in the Redevelopment Obligation Retirement Fund all Tax Revenues as shall be required to enable the Successor Agency to pay timely principal of, and interest on, the Bonds and any outstanding Parity Debt coming due in such Bond Year, including any amounts due and owing to the Reserve Policy Provider in respect of the Reserve Policy, or required to replenish the Reserve Account and the respective reserve accounts established for any outstanding Parity Debt.

Without limiting the generality of the foregoing covenant, the Successor Agency will take all actions required under the Dissolution Act to file a Recognized Obligation Payment Schedule by February 1 in each year, commencing February 1, 2020, in accordance with Section 34177(0) of the Redevelopment Law. For the semiannual period ending each June 30, the Recognized Obligation Payment Schedule which includes such period shall request the payment to the Successor Agency of an amount of Tax Revenues which is at least equal to the following:

- (a) 100% of the amount of principal of and interest on the Bonds coming due and payable on the next succeeding March 1 and September 1;
- (b) any amount then required to replenish the full amount of the Reserve Requirement in the Reserve Account; and
- (c) any amount then required to make payments due to the Reserve Policy Provider in respect of the Reserve Policy.

For the semiannual period ending each December 31, the Recognized Obligation Payment Schedule which includes such period shall request the payment to the Successor Agency of an amount of Tax Revenues which is at least equal to the following:

- (a) any remaining principal or interest due on the Bonds coming due and payable on the next succeeding September 1 and not reserved in the period ending June 30 (if any); and
- (b) reserves and amounts due to the Reserve Policy Provider as described under (c) above.

The foregoing actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and the California Department of Finance, to the extent required, the amounts to be held by the Successor Agency as a reserve until the next Fiscal Year, as contemplated by Section 34171(d)(1)(A) of the Redevelopment Law, that are required to provide for the payment of principal of and interest on the Bonds.

SECTION 5.03. *Compliance with Plan Limitations.* If and to the extent that the Plan Limitations apply to the Successor Agency under the Dissolution Act, the Successor Agency shall not take any action which causes or which, with the passage of time, would cause any of the Plan Limitations to be exceeded or violated. The Successor Agency shall manage its fiscal affairs in a manner which ensures that it will have sufficient Tax Revenues available under the Plan Limitations in the amounts and at the times required to enable the Successor Agency to pay the principal of and interest and redemption premium (if any) on all Bonds and Parity Debt when due.

SECTION 5.04. *Payment of Claims.* The Successor Agency will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Tax Revenues or any part thereof, or upon any funds held by the Trustee pursuant hereto, or which might impair the security of the Bonds. Nothing herein requires the Successor Agency to make any such payment so long as the Successor Agency in good faith contests the validity of said claims.

SECTION 5.05. *Books and Accounts; Financial Statements; Additional Information.* The Successor Agency will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City, in which complete and correct entries are made of all transactions relating to the Tax Revenues and the Redevelopment Obligation Retirement Fund. Such books of record and accounts shall at all times during business hours be subject, upon prior written request, to the reasonable inspection of the Trustee (who has no duty to inspect) and the Reserve Policy Provider and the Owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared annually, within 210 days after the close of each Fiscal Year so long as any of the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year, prepared in accordance with applicable provisions of the California Government Code, showing all deposits into and disbursements from the Redevelopment Obligation Retirement Fund, as of the end of such Fiscal Year. Such financial statements may be combined with or otherwise be a part of the financial statements which are prepared for the City. The Successor Agency will furnish a copy of such statements to the Reserve Policy Provider and, upon reasonable request, to any Bond Owner. The Trustee has no duty to review any such financial statement.

SECTION 5.06. *Protection of Security and Rights of Owners.* The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the date of issuance of the Bonds, the Successor Agency may not contest the validity or enforceability of the Bonds or this Indenture.

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

SECTION 5.08. *Compliance with Parity Debt Documents.* The Successor Agency shall punctually pay or cause to be paid the principal, premium (if any) and interest to become due in respect of all Parity Debt, in strict conformity with the terms of the respective documents authorizing the issuance thereof. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of the respective documents authorizing the issuance of any outstanding Parity Debt.

SECTION 5.09. *Limitation on Additional Indebtedness.* The Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any additional bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues; *provided, however,* that the Successor Agency may issue and sell refunding bonds payable from Tax Revenues on a parity with Outstanding Bonds for the purpose of refunding the Bonds or any issue of Parity Debt, if (a) the aggregate amount of debt service on such refunding bonds is lower than the aggregate amount of debt service on the Bonds or Parity Debt being refunded and (b) the final maturity of any such refunding bonds does not exceed the final maturity of the Bonds or Parity Debt being refunded. The documents providing for the issuance of any parity obligations under this Section shall provide that:

- (a) interest on such parity obligations is payable on March 1 and September 1 in each year of the term thereof, except the first twelve month period, during which interest may be payable on any date;
- (b) the principal of such parity obligations is payable on September 1 in any year in which principal is payable; and
- (c) the trustee for such parity obligations is the same entity which performs the duties of Trustee for the Bonds.

SECTION 5.10. *Tax Covenants Relating to the Series A Bonds.*

(a) Generally. The Successor Agency may not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if

not cured would cause, interest on the Series A Bonds to become includable in gross income for federal income tax purposes.

(b) Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the Series A Bonds are not used in a manner which would cause the Series A Bonds to become “private activity bonds” within the meaning of Section 141(a) of the Tax Code or to meet the private loan financing test of Section 141(c) of the Tax Code.

(c) Federal Guarantee Prohibition. The Successor Agency may not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series A Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

(d) No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the Series A Bond proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the Series A Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Tax Code.

(e) Rebate of Excess Investment Earnings. The Successor Agency shall calculate or cause to be calculated all amounts of excess investment earnings with respect to the Series A Bonds which are required to be rebated to the United States of America under Section 148(f) of the Tax Code, at the times and in the manner required under the Tax Code. The Successor Agency shall pay when due an amount equal to excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code, such payments to be made from any source of legally available funds of the Successor Agency. The Successor Agency shall keep or cause to be kept, and retain or cause to be retained for a period of six years following the retirement of the Series A Bonds, records of the determinations made under this subsection (e).

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

SECTION 5.11. *Continuing Disclosure.* The Successor Agency will comply with and carry out all of the provisions of the Continuing Disclosure Certificate which has been executed and delivered by the Successor Agency on the Closing Date. Notwithstanding any other provision hereof, failure of the Successor Agency to comply with such Continuing Disclosure Certificate does not constitute an Event of Default hereunder; *provided, however,* that any Participating Underwriter (as such term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Successor Agency to comply with its obligations under this Section.

SECTION 5.12. *Further Assurances.* The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Reserve Policy Provider and the Bond Owners the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

SECTION 6.01. *Duties, Immunities and Liabilities of Trustee.*

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or duties shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable corporate trustee would exercise or use.

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

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

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee becomes effective upon acceptance of appointment by the successor Trustee. If no successor Trustee has been appointed and accepted appointment within 45 days following giving notice of removal or notice of resignation as aforesaid, the resigning Trustee, the Reserve Policy Provider or any Owner (on behalf of such Owner and all other Owners) may petition any federal or state court for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and to the predecessor Trustee an instrument indemnifying the predecessor Trustee for any costs or claims arising during the time the successor Trustee serves as Trustee hereunder, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties

and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless, upon the receipt by the predecessor Trustee of the Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency will execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail or cause the successor Trustee to mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts hereunder to the Reserve Policy Provider, to each rating agency which then maintains a rating on the Bonds and to the Owners at the addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within 15 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall: (i) be a company or bank having trust powers, (ii) have a corporate trust office in the State of California, (iii) have (or be part of a bank holding company system whose bank holding company has) a combined capital and surplus of at least \$50,000,000, and (iv) be subject to supervision or examination by federal or state authority.

If such bank or company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in subsection (c) of this Section.

The Successor Agency will maintain a Trustee acceptable to the Reserve Policy Provider and qualified under the provisions of the foregoing provisions of this subsection (e), so long as any Bonds are Outstanding.

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

SECTION 6.03. *Liability of Trustee.*

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee assumes no responsibility for the correctness of the same, nor does it have any liability whatsoever therefor, nor does it make any representations as to the validity or sufficiency of this Indenture or of the Bonds nor does it incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee is, however, responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee is not liable for the acts of any agents of the Trustee selected by it with due care. The Trustee may become the Owner of Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding. The Trustee, either as principal or agent, may engage in or be entrusted in any financial or other transaction with the Successor Agency.

(b) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Reserve Policy Provider or the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

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

(d) The Trustee will not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer of the Trustee has actual knowledge thereof, or unless and until a responsible officer of the Trustee has received written notice thereof at its Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default hereunder or thereunder. The Trustee shall not be responsible for the Successor Agency's payment of principal and interest on the Bonds, the Successor Agency's observance or performance of any other covenants, conditions or terms contained herein, or the validity or effectiveness of any collateral given to or held by it.

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

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

(g) The Trustee has no responsibility or liability whatsoever 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, nor shall the Trustee have any obligation to review any such material, and any such review by the Trustee will not be deemed to create any obligation, duty or liability on the part of the Trustee.

(h) Before taking any action under this Article or Article VIII, the Trustee may require indemnity satisfactory to the Trustee be furnished to it to hold the Trustee harmless from any expenses whatsoever and to protect it against any liability it may incur hereunder.

(i) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(j) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

(k) The Trustee may execute any of the trusts or powers hereof and perform any of its duties through attorneys, agents and receivers and shall not be answerable for the conduct of the same if appointed by it with reasonable care.

(l) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Successor Agency shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit

Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(m) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term “force majeure” means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

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

SECTION 6.04. *Right to Rely on Documents.* The Trustee shall be protected in acting upon any notice, resolution, requisition, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, including, without limitation, Bond Counsel or other counsel of or to the Successor Agency, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

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

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may (but has no duty to), in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

SECTION 6.05. *Preservation and Inspection of Documents.* The Trustee will retain in its possession all documents received by it under the provisions of this Indenture, which will be subject during normal business hours, and upon reasonable prior written notice, to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing.

SECTION 6.06. *Compensation and Indemnification.* Absent any agreement to the contrary, the Successor Agency will pay to the Trustee from time to time compensation for all services rendered under this Indenture and also all expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including any allocated costs of internal counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture.

The Successor Agency further covenants and agrees to indemnify and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities, whether or not litigated, including legal fees and expenses, which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability and of enforcing any remedies hereunder and under any related documents, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

SECTION 6.07. *Accounting Records and Financial Statements.* The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries are made of all transactions made by it relating to the proceeds of the Bonds and all funds and accounts established and held by the Trustee under this Indenture. Such books of record and account shall be available for inspection by the Successor Agency and the Reserve Policy Provider at reasonable hours, during regular business hours, with reasonable prior notice and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting (which may be in the form of its customary statements) of all transactions relating to the proceeds of the Bonds and all funds and accounts held by the Trustee under this Indenture.

SECTION 6.08. *Provisions Relating to Reserve Policy.* So long as the Reserve Policy remains in effect, the Successor Agency and the Trustee shall comply with all of the terms and provisions set forth in Appendix C relating to the Reserve Policy Provider and the Reserve Policy. Such provisions are hereby incorporated into this Indenture by this reference, and shall control and supersede any conflicting or inconsistent provisions in this Indenture.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

SECTION 7.01. *Amendments Permitted.*

(a) Amendment With Bond Owner Consent. This Indenture and the rights and obligations of the Successor Agency and of the Owners of the Bonds may be modified or amended by the Successor Agency and the Trustee upon Request of the Successor Agency at any time by the execution of a Supplemental Indenture, but only with the written consent of the Reserve Policy Provider and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding. Any such Supplemental Indenture becomes effective upon the execution and delivery thereof by the parties thereto and upon consent of the Reserve Policy Provider and the requisite Bond Owners. No such modification or amendment shall:

- (i) extend the maturity of a Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the Successor Agency to pay the principal thereof, or interest thereon, or any premium payable on the redemption thereof, at the time and place and at the rate and in the currency provided therein, without the written consent of the Owner of that Bond;
- (ii) permit the creation by the Successor Agency of any mortgage, pledge or lien upon the Tax Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds, or reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification; or

(b) Amendment Without Bond Owner Consent. This Indenture and the rights and obligations of the Successor Agency and of the Owners of the Bonds may also be modified or amended at any time by a Supplemental Indenture, with the prior written consent of the Reserve Policy Provider but without the consent of any Owners of the Bonds, but only for any one or more of the following purposes:

- (i) to add to the covenants and agreements of the Successor Agency contained in this Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the Successor Agency;
- (ii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency deems necessary or desirable, provided under any circumstances that such modifications or amendments do not materially adversely affect the interests of the Owners in the opinion of Bond Counsel filed with the Successor Agency and the Trustee;
- (iii) to amend any provision hereof to assure the exclusion from gross income of interest on the Bonds for federal income tax purposes

under the Tax Code, in the opinion of Bond Counsel filed with the Successor Agency and the Trustee; or

- (iv) to provide the terms and provisions applicable to any issue of bonds, notes or other obligations on a parity with the Bonds, which are issued in accordance with Section 5.09.

(c) Notice of Amendments. The Successor Agency shall deliver or cause to be delivered a draft of any Supplemental Indenture to S&P, at least 10 days prior to the effective date of such Supplemental Indenture under this Section.

(d) Rights of Trustee. The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (a) or (b) of this Section which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

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

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

SECTION 7.04. *Amendment by Mutual Consent.* The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner.

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

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

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

- (a) Failure to pay any installment of the principal of or interest on any Bonds when due, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.
- (c) Failure by the Successor Agency to observe and perform any of the other covenants, agreements or conditions set forth in this Indenture or in the Bonds which are within its control, if such failure has continued for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, has been given to the Successor Agency by the Trustee or the Reserve Policy Provider; *provided, however*, if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such 30-day period, such failure shall not constitute an Event of Default if the Successor Agency institutes corrective action within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time.
- (d) The Successor Agency commences a voluntary case under Title 11 of the United States Code or any substitute or successor statute.
- (e) The occurrence and continuation of an event of default under and as defined in the respective documents authorizing the issuance of any outstanding Parity Debt.

For purposes of determining whether any event of default has occurred under and as described in the preceding clauses (a) or (b), no effect shall be given to payments made by the Reserve Policy Provider under the Reserve Policy.

If an Event of Default occurs and is continuing, the Trustee may, and at the written direction of the Reserve Policy Provider or (with the prior written consent of the Reserve Policy Provider) at the written direction of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same will become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) after receiving indemnification to its satisfaction, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity to enforce the rights of the Bond Owners under this Indenture.

Immediately upon becoming aware of the occurrence of an Event of Default, but in no event later than five Business Days following becoming aware of such occurrence, the Trustee shall give notice of such Event of Default to the Successor Agency and to the Reserve Policy Provider in writing. Such notice shall also state whether the principal of

the Bonds has been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (b) above the Trustee shall, and with respect to any Event of Default described in clause (c) above the Trustee in its sole discretion may, also give such notice to the Owners in the same manner as provided herein for notices of redemption of the Bonds, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable under the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds has been so declared due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest at an interest rate equal to the highest rate borne by the Outstanding Bonds, and the reasonable fees and expenses of the Trustee, including fees and expenses of its attorneys, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) has been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, and with the consent of the Reserve Policy Provider (if it has not failed to comply with its payment obligations under the Reserve Policy), rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

SECTION 8.02. *Notice of Event of Default.* Immediately upon becoming aware of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency in writing. Such notice must also state whether the principal of the Bonds has been declared to be or have immediately become due and payable as provided in Section 8.01. With respect to any Event of Default described in Section 8.01(a) or (b), the Trustee shall, and with respect to any Event of Default described in Section 8.01(c) the Trustee in its sole discretion may, also give such notice to the Bond Owners in the same manner as provided herein for notices of redemption of the Bonds, which must include the statement that interest on the Bonds will cease to accrue from and after the date, if any, on which the Trustee declares the Bonds to become due and payable under Section 8.01 (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

SECTION 8.03. *Application of Funds Upon Event of Default.* All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder (other than in the Reserve Account) upon the occurrence of an Event of Default, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee as follows and in the following order or priority:

First, to the payment of any fees, costs and expenses incurred by the Trustee to protect the interests of the Owners of the Bonds; payment

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

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts at the respective rates of interest borne by those Bonds, and in case such moneys are insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and interest on overdue amounts without preference or priority among such interest, principal and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

Third, to the payment of any amounts owed to the Reserve Policy Provider hereunder.

SECTION 8.04. *Power of Trustee to Control Proceedings.* If the Trustee, upon the happening of an Event of Default, takes any action, by judicial proceedings or otherwise, in the performance of its duties hereunder, whether upon its own discretion, with the consent or at the request of the Reserve Policy Provider or the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, it has 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. The Trustee may not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

SECTION 8.05. *Limitation on Owners' Right to Sue.* No Owner of a Bond has the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless:

- (a) said Owner has previously given to the Trustee written notice of the occurrence of an Event of Default;
- (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name;
- (c) said Owners 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 has failed to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee.

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

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

SECTION 8.06. *Non-waiver.* Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, affects or impairs the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the Bond Owners when due and payable as herein provided, or affects or impairs the right of action, which is also absolute and unconditional, of the Bond Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

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

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

SECTION 8.07. *Actions by Trustee as Attorney-in-Fact.* Any suit, action or proceeding which any Owner has the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, subject to

the provisions of Article VI. Notwithstanding the foregoing provisions of this Section, the Trustee has no duty to enforce any such right or remedy unless it has been indemnified to its satisfaction for any additional fees, charges and expenses of the Trustee related thereto, including without limitation, fees and charges of its attorneys and advisors.

SECTION 8.08. *Remedies Not Exclusive.* No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Redevelopment Law or any other law.

SECTION 8.09. *Rights of the Reserve Policy Provider.* Anything in this Indenture to the contrary notwithstanding, upon the occurrence and continuation of an Event of Default, the Reserve Policy Provider is entitled to control and direct the enforcement of all rights and remedies granted hereunder to the Bond Owners, or to the Trustee for the benefit of the Bond Owners, including but not limited to rights and remedies granted under Section 8.01 and including but not limited to the right to approve all waivers of any Events of Default. The rights granted to the Reserve Policy Provider hereunder shall be deemed terminated and may not be exercisable by the Reserve Policy Provider during any period during which the Reserve Policy Provider is in default under the Reserve Policy.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. *Benefits Limited to Parties.* Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the Reserve Policy Provider and the Owners, any right, remedy, claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the Reserve Policy Provider and the Owners. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency, the Reserve Policy Provider or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency, the Reserve Policy Provider or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

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

SECTION 9.03. *Defeasance of Bonds.* If the Successor Agency pays and discharges all or a portion of the Bonds in any one or more of the following ways:

- (a) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;
- (b) by irrevocably depositing with the Trustee or an escrow bank, in trust, at or before maturity, an amount of cash which, together with the available amounts then on deposit in the funds and accounts established under this Indenture, in the opinion or report of an Independent Accountant is fully sufficient to pay such Bonds, including all principal, interest and redemption premium, if any;
- (c) by irrevocably depositing with the Trustee or an escrow bank, in trust, Federal Securities in such amount as an Independent Accountant determines will, together with the interest to accrue thereon and available moneys then on deposit in any of the funds and accounts established under this Indenture, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premium, if any) at or before maturity; or
- (d) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been duly given or provision satisfactory to the Trustee has been made for the giving of such notice, then, at the election of the Successor Agency evidenced by a Certificate of the Successor Agency filed with the Trustee, and notwithstanding that any such Bonds have not been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture with respect to such Bonds shall cease and terminate, except only:

- (a) the obligation of the Trustee to transfer and exchange Bonds hereunder,
- (b) the obligation of the Successor Agency to pay or cause to be paid to the Owners of such Bonds, from the amounts so deposited with the Trustee, all sums due thereon, and
- (c) the obligations of the Successor Agency to compensate and indemnify the Trustee under Section 6.06.

The Successor Agency must file notice of such election with the Trustee. The Trustee shall pay any funds thereafter held by it, which are not required for said purpose, to the Successor Agency.

In the case of a defeasance or payment of all of the Bonds Outstanding in accordance with this Section, the Trustee shall pay all amounts held by it in any funds or accounts hereunder, which are not required for said purpose or for payment of amounts due the Trustee under Section 6.06, to the Successor Agency.

Notwithstanding the foregoing provisions of this Section, in the event that the principal of and interest on the Bonds are paid by the Reserve Policy Provider under the

Reserve Policy, the obligations of the Trustee and the Successor Agency shall continue in full force and effect and the Reserve Policy Provider shall be fully subrogated to the rights of all Owners of the Bonds so paid. In addition, the obligations of the Trustee and the Successor Agency hereunder shall continue in full force and effect, and shall not be terminated, until such time as the Successor Agency shall have paid all amounts (if any) as shall be due and owing to the Reserve Policy Provider under the Reserve Policy; and the Trustee shall not distribute any funds to the Successor Agency under the preceding paragraph unless the Successor Agency shall have certified to the Trustee that there are no obligations then due and owing by the Successor Agency to the Reserve Policy Provider under the Reserve Policy.

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

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

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

Any request, declaration or other instrument or writing of the Owner of any Bond binds all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee in good faith and in accordance therewith.

SECTION 9.05. *Waiver of Personal Liability.* No member, officer, agent or employee of the Successor Agency is individually or personally liable for the payment of the principal of or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

SECTION 9.06. *Destruction of Canceled Bonds.* Whenever in this Indenture provision is made for the surrender to the Successor Agency of any Bonds which have been paid or canceled under the provisions of this Indenture, a certificate of destruction duly executed by the Trustee shall be deemed to be the equivalent of the surrender of such canceled Bonds and the Successor Agency is entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to. The Successor Agency will pay all costs of any microfilming of Bonds to be destroyed.

SECTION 9.07. *Notices.* All written notices to be given under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) upon actual receipt after deposit in

the United States mail, postage prepaid, or (c) in any other case, upon actual receipt. The Successor Agency or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Successor Agency:

Successor Agency to the CRA of the City of Buena Park
6650 Beach Boulevard
Buena Park, California 90622-5009
Attention: Executive Director
Phone: (714) 562-3713

If to the Trustee:

MUFG Union Bank, N.A.
445 South Figueroa Street, Suite 1203
Los Angeles, California 90071-1602
Attention: Corporate Trust Services
Fax: (213) 972-5694
Email: AccountAdministration-CorporateTrust
@unionbank.com and
CashControlGroup-LosAngeles@unionbank.com

SECTION 9.08. *Partial Invalidity.* If any Section, paragraph, sentence, clause or phrase of this Indenture is for any reason held illegal, invalid or unenforceable, such holding will not affect the validity of the remaining portions of this Indenture. The Successor Agency and the Trustee hereby declare that they would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable.

SECTION 9.09. *Unclaimed Moneys.* Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

SECTION 9.10. *Execution in Counterparts.* This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.11. *Third-Party Beneficiary.* The Reserve Policy Provider shall be deemed to be a third-party beneficiary of this Indenture, with all rights of a third-party beneficiary.

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

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK has caused this Indenture to be signed in its name by its Executive Director and attested to by its Secretary, and MUFG UNION BANK, N.A., in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF BUENA PARK**

By _____
Executive Director

Attest:

Secretary

MUFG UNION BANK, N.A.,
as Trustee

By _____
Authorized Officer

APPENDIX A

DEFINITIONS

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

“Bond Year” means any twelve-month period beginning on September 2 in any year and extending to the next succeeding September 1, both dates inclusive; except that the first Bond Year begins on the Closing Date and ends on September 1, 2020.

“Bonds” means, collectively, the Series A Bonds and the Series B Bonds.

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

“Certificate of the Successor Agency” means a certificate in writing signed by the Mayor, the City Manager or the Finance Director of the City, or any other officer of the City, acting on behalf of the Successor Agency and duly authorized by the Successor Agency for that purpose.

“City” means the City of Buena Park, California.

“Closing Date” means November __, 2019, being the date on which the Bonds are delivered by the Successor Agency to the Original Purchaser.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the related Series of Bonds and the refunding of the 2003 Bonds, the 2008 Series A Bonds and the 2008 Series B Bonds, including but not limited to: staff and administrative costs of the Successor Agency; printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Trustee, the Escrow Bank and their respective counsel, including the Trustee’s first annual administrative fee; fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals; Reserve Policy premium; fees and charges for preparation, execution and safekeeping of the Bonds; and any other cost, charge or fee in connection with the original issuance of the Bonds.

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

“Debt Service Fund” means the fund by that name which is established and held by the Trustee under Section 4.03.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.04.

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

“Dissolution Act” means (a) Assembly Bill X1 26, signed by the Governor of the State of California on June 28, 2008, and filed with the Secretary of State of California on June 29, 2011, including as a part thereof, Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of the Redevelopment Law, and (b) Assembly Bill No. 1484, signed by the Governor of the State of California on June 27, 2012, and filed with the Secretary of State of California on June 27, 2012.

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

“Escrow Agreement” means the Escrow Agreement dated the Closing Date, between the Successor Agency and the Escrow Bank, relating to the deposit and application of the proceeds of the Bonds and other funds to pay and discharge the 2003 Bonds, the 2008 Series A Bonds and the 2008 Series B Bonds.

“Escrow Bank” means MUFG Union Bank, N.A., as escrow bank under the Escrow Agreement.

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

“Federal Securities” means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

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

“Former Agency” means the Community Redevelopment Agency of the City of Buena Park, a public body corporate and politic duly organized and existing under the Redevelopment Law and dissolved in accordance with the Dissolution Act.

“Indenture” means this Indenture of Trust between the Successor Agency and the Trustee, as amended or supplemented from time to time under any Supplemental Indenture entered into under the provisions hereof.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State of California, appointed by or acceptable to the Successor Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Successor Agency; (b) does not have any substantial interest, direct or indirect, with the Successor Agency; and (c) is not connected with the Successor Agency as an officer or employee of the

Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

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

“Interest Payment Date” means each March 1 and September 1 commencing March 1, 2020.

“Nominee” means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated under Section 2.04(a).

“Office” means, with respect to the Trustee, the corporate trust office of the Trustee at the address set forth in Section 9.07, or at such other or additional offices as may be specified by the Trustee in writing to the Successor Agency; except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term means the office or agency of the Trustee at which, at any particular time, its corporate trust agency business is conducted.

“Original Purchaser” means Stifel Nicolaus & Co., Incorporated, as original purchaser of the Bonds on the Closing Date.

“Outstanding”, when used as of any particular time with reference to Bonds, means all Bonds except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (c) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

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

“Parity Debt” means any notes, bonds or other obligations which are issued following the Closing Date for the purpose of refunding any Bonds or other issue of Parity Debt in whole or in part as permitted by the Dissolution Act.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

- (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged.
- (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

- (c) Any direct or indirect obligations of an agency or department of the United States of America whose obligations represent the full faith and credit of the United States of America, or which are rated A or better by S&P at the time of purchase.
- (d) Interest-bearing deposit accounts (including certificates of deposit) in federal or State chartered savings and loan associations or in federal or State of California banks (including the Trustee), provided that: (i) the unsecured obligations of such commercial bank or savings and loan association are rated A or better by S&P at the time of purchase; or (ii) such deposits are fully insured by the Federal Deposit Insurance Corporation; or (iii) such deposits are collateralized by Permitted Investments described in clause (a) for amounts above FDIC insurance.
- (e) Commercial paper rated "A-1+" or better by S&P at the time of purchase.
- (f) Federal funds or bankers acceptances with a maximum term of one year of any bank which an unsecured, uninsured and unguaranteed obligation rating of "A-1+" or better by S&P at the time of purchase.
- (g) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm at the time of purchase, which funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services, but excluding such funds with a floating net asset value.
- (h) Obligations the interest on which is excludable from gross income pursuant to Section 103 of the Tax Code and which are either (a) rated A or better by S&P at the time of purchase, or (b) fully secured as to the payment of principal and interest by Permitted Investments described in clauses (a) or (b).
- (i) Obligations issued by any corporation organized and operating within the United States of America having assets in excess of \$500,000,000, which obligations are rated A or better by S&P at the time of purchase.
- (j) Bonds or notes issued by any state or municipality which are rated A or better by S&P at the time of purchase.
- (k) Any investment agreement with, or guaranteed by, a financial institution the long-term unsecured obligations or the claims paying ability of which are rated AA or better by S&P at the time of initial investment, by the terms of which all amounts invested thereunder are required to be withdrawn and paid to the Trustee in the event either of such ratings at any time falls below AA-.

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

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

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

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

"Recognized Obligation Payment Schedule" means the schedule by that name prepared in accordance with the requirements of Section 34177(l) of the Redevelopment Law.

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

"Redemption Account" means the account by that name established and held by the Trustee under Section 4.03(d).

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

"Redevelopment Obligation Retirement Fund" means the fund established and held by the Successor Agency pursuant to Section 34170.5(a) of the Redevelopment Law.

"Redevelopment Plan" means the means the Merged and Amended Redevelopment Plan for the Buena Park Consolidated Redevelopment Project approved by Ordinance No. 1422, adopted by the City Council of the City on May 7, 2002, merging the following four constituent project areas: (i) the Central Business District Project Area approved by Ordinance No. 1069, adopted by the City Council of the City on November 19, 1979, (ii) Project Area No. II approved by Ordinance No. 1163, adopted by the City Council of the City on October 1, 1984, (iii) Project Area No. III approved by Ordinance No. 1246, adopted by the City Council of the City on June 18, 1990, and (iv) Buena Park Redevelopment Project Area No. IV approved by Ordinance No. 1421, adopted by the City Council of the City on May 7, 2002, together with any amendments of any of the foregoing Ordinances heretofore or hereafter duly enacted pursuant to the Redevelopment Law.

"Redevelopment Project" means the undertaking of the Former Agency under the Redevelopment Plan and the Redevelopment Law for the redevelopment of the Project Area.

“Redevelopment Property Tax Trust Fund” means the fund established under Section 34170.5(b) of the Redevelopment Law and administered by the Orange County Auditor-Controller.

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

“Registration Books” means the records maintained by the Trustee under Section 2.06 for the registration and transfer of ownership of the Bonds.

“Request of the Successor Agency” means a request in writing signed by the Mayor, the City Manager or the Finance Director of the City, or any other officer of the City, acting on behalf of the Successor Agency and duly authorized by the Successor Agency for that purpose.

“Reserve Account” means the account by that name established and held by the Trustee under Section 4.03(c).

“Reserve Policy” means the Municipal Bond Debt Service Reserve Policy issued by the Reserve Policy Provider for the account of the Reserve Account.

“Reserve Policy Provider” means _____, its successors and assigns, as issuer of the Reserve Policy.

“Reserve Requirement” means an amount equal to \$_____, being the lesser of maximum annual debt service, 10% of the par amount of the Bonds or 125% of average annual debt service, determined as of the Closing Date, or such lesser amount as may be permitted under the Tax Code.

“S&P” means Standard & Poor’s Global Ratings, of New York, New York, and its successors.

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

“Series” means either the Series A Bonds or the Series B Bonds.

“Series A Bonds” means the Successor Agency to the Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Parity Bonds, 2019 Series A issued by the Successor Agency in the aggregate principal amount of \$_____ under the Refunding Bond Law and this Indenture.

“Series A Costs of Issuance Fund” means the fund by that name established and held by the Trustee under Section 3.03.

“Series B Bonds” means the Successor Agency to the Community Redevelopment Agency of the City of Buena Park Taxable Tax Allocation Refunding Parity Bonds, 2019

Series B issued by the Successor Agency in the aggregate principal amount of \$ _____ under the Refunding Bond Law and this Indenture.

“Series B Costs of Issuance Fund” means the fund by that name established and held by the Trustee under Section 3.04.

“Successor Agency” means the Successor Agency to the Community Redevelopment Agency of the City of Buena Park, a public entity duly organized and existing under the Redevelopment Law.

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

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

“Tax Revenues” means amounts required to be deposited from time to time in the Redevelopment Property Tax Trust Fund in accordance with Section 34183(a)(2) of the Redevelopment Law, which amounts are derived from property tax revenues (formerly, tax increment) allocated with respect to the Project Area under Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State of California and as provided in the Redevelopment Plan including all payments, subventions and reimbursements (if any) to the Successor Agency specifically attributable to *ad valorem* taxes lost by reason of tax exemptions and tax rate limitations, but not including amounts of such taxes which are required to be paid under the Tax Sharing Agreements or the Tax Sharing Statutes, but only to the extent such amounts are not subordinated to the payment of debt service on the Bonds.

“Tax Sharing Agreements” means, collectively, the agreements heretofore entered into by the Agency pursuant to Section 33401 of the Law providing for the payment of tax increment revenues (allocated and paid to the Agency pursuant to Section 33670 of the Law) to the following entities: (a) the County, (b) the Orange County Flood Control District, (c) the Orange County Water District, (d) the Buena Park Library District, (e) the Anaheim Union High School District, (f) the Fullerton Union High School District, and (g) the Orange County Board of Education.

“Tax Sharing Statutes” means the provisions of the Redevelopment Law, including but not limited to Sections 33607.5, 33607.7 and 33676 thereof, under which a taxing entity is entitled to receive an amount which would otherwise constitute a portion of the Tax Revenues by operation of such statutory provision.

“Term Bonds” means the Series A Bonds maturing on September 1, 20__ and the Series B Bonds maturing September 1, 20__.

“Trustee” means MUFG Union Bank, N.A., as Trustee hereunder, or any successor thereto appointed as Trustee hereunder in accordance with the provisions of Article VI.

“2003 Bonds” means the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2003 Tax Allocation Refunding Bonds issued in the aggregate principal amount of \$24,055,000 to refinance outstanding obligations of the Former Agency relating to the Redevelopment Project.

“2008 Series A Bonds” means the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Tax Allocation Bonds, Series A in the aggregate principal amount of \$48,800,000 to provide financing for the Redevelopment Project.

“2008 Series B Bonds” means the City of Buena Park Consolidated Redevelopment Project 2008 Taxable Tax Allocation Bonds, Series B in the aggregate principal amount of \$26,920,000 to provide financing for the Redevelopment Project.

APPENDIX B

FORM OF SERIES A BOND

No.

\$

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK

Tax Allocation Refunding Parity Bonds, 2019 Series A

RATE OF INTEREST: **MATURITY DATE:** **ORIGINAL ISSUE DATE:** **CUSIP:**
September 1, November __, 2019

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** _____ THOUSAND DOLLARS***

The SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Agency"), for value received, hereby promises to pay (but only out of the Tax Revenues and other moneys and securities hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, which date shall be the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the first calendar day of the month in which such Interest Payment Date occurs (a "Record Date"), in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to February 15, 2020, in which event it shall bear interest from the Original Issue Date identified above; *provided, however,* that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest hereon has previously been paid or made available for payment), payable semiannually on March 1 and September 1 in each year, commencing March 1, 2020 (the "Interest Payment Dates") until payment of such Principal Amount in full.

The Principal Amount hereof is payable upon presentation hereof at the corporate office of MUFG Union Bank, N.A., as trustee (the "Trustee"), in Los Angeles, California, or such other place as designated by the Trustee. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of such Registered Owner as it appears on the registration books of the Trustee as of the preceding Record Date; provided that at the written request of the owner of at least \$1,000,000 aggregate principal amount of Bonds which written request is on file with the Trustee prior to the Record Date immediately preceding any Interest Payment Date, interest on such Bonds shall be paid on such Interest Payment Date by wire transfer to such account within the United States of America as shall be specified in such written request.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as the "Successor Agency to the Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Parity Bonds, 2019 Series A" (the "Bonds") of an aggregate principal amount of \$_____ all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities or interest rates) and all issued under the provisions of Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Redevelopment Law") and the provisions of Article 11 (commencing with Section 53580) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California, and under an Indenture of Trust dated as of November 1, 2019, between the Successor Agency and the Trustee (the "Indenture"). The Bonds have been authorized to be issued by the Successor Agency under a resolution of the Successor Agency adopted on July 23, 2019. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all supplements thereto and to the Redevelopment Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues, as that term is defined in the Indenture, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency to refinance certain indebtedness previously incurred by the former Community Redevelopment Agency of the City of Buena Park under the Redevelopment Law in connection with the Consolidated Redevelopment Project in the City of Buena Park, California (the "Project Area"), a duly designated redevelopment project area under the laws of the State of California.

This Bond and the interest hereon are payable from, and are secured by a charge and lien on the Tax Revenues derived by the Successor Agency from the Project Area. As and to the extent set forth in the Indenture, all of the Tax Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture and the Redevelopment Law, to the payment of the principal of and interest on the Bonds. Notwithstanding the foregoing, certain amounts out of Tax Revenues may be applied for other purposes as provided in the Indenture.

This Bond is not a debt of the City of Buena Park, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties other than the Tax Revenues.

The rights and obligations of the Successor Agency and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall permit a change in the terms of maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages of the owners required to effect any such modification or amendment.

The Bonds maturing on or before September 1, 20__ are not subject to optional redemption prior to their respective stated maturity dates. The Bonds maturing on or after September 1, 20__ are subject to redemption in whole, or in part at the Request of the Agency among maturities on such basis as designated by the Agency and by lot within a maturity, at the option of the Agency, on any date on or after September 1, 20__, from any available source of funds, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption, without premium.

The Bonds maturing on September 1, 20__ (the "Term Bonds"), are subject to redemption sinking fund redemption (or purchase in lieu of redemption as provided in the Indenture) in part by lot, on September 1 in each of the years as set forth in the following tables, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, subject to adjustment under the circumstances described in the Indenture.

**Mandatory Sinking Fund Redemption
of Series A Bonds Maturing on September 1, 20__**

Sinking Account
Redemption Date
(September 1)

Principal Amount
To Be Redeemed or
Purchased

As provided in the Indenture, the Trustee is required to mail notice of redemption of any Bonds by first class mail, postage prepaid, not less than 20 nor more than 60 days before the redemption date, to the registered owners of the Bonds to be redeemed, but neither failure to receive such notice nor any defect in the notice so mailed affects the sufficiency of the proceedings for prepayment or the cessation of accrual of interest thereon. Any notice so given by the Trustee may be rescinded under the circumstances and with the effect set forth in the Indenture. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest hereon will cease to accrue from and after the date fixed for redemption.

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

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at said corporate trust office of the Trustee in Los Angeles, California, or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Current Interest Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

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

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

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

This Bond is not entitled to any benefit under the Indenture and is not valid or obligatory for any purpose until the certificate of authentication hereon endorsed has been signed by the Trustee.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK has caused this Bond to be executed in its name and on its behalf with the facsimile signature of the Mayor of the City of Buena Park, and has caused this Bond to be attested to by the facsimile signature of the City Clerk of the City of Buena Park, all as of the Original Issue Date specified above.

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF BUENA PARK**

By _____
Mayor
of the City of Buena Park

Attest:

City Clerk
of the City of Buena Park

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

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

Dated:

MUFG UNION BANK, N.A., as Trustee

By _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto _____ whose address and social security or other tax identifying number is _____, the within-mentioned Bond and hereby irrevocably _____ constitute(s) _____ and _____ appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

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

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.

FORM OF SERIES B BOND

No.

\$

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF BUENA PARK**

**Taxable Tax Allocation Refunding Parity Bonds,
2019 Series B**

RATE OF INTEREST: **MATURITY DATE:** **ORIGINAL ISSUE DATE:** **CUSIP:**
 September 1, November __, 2019

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** _____ THOUSAND DOLLARS***

The SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Agency"), for value received, hereby promises to pay (but only out of the Tax Revenues and other moneys and securities hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, which date shall be the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the first calendar day of the month in which such Interest Payment Date occurs (a "Record Date"), in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to February 15, 2020, in which event it shall bear interest from the Original Issue Date identified above; *provided, however,* that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest hereon has previously been paid or made available for payment), payable semiannually on March 1 and September 1 in each year, commencing March 1, 2020 (the "Interest Payment Dates") until payment of such Principal Amount in full.

The Principal Amount hereof is payable upon presentation hereof at the corporate office of MUFG Union Bank, N.A., as trustee (the "Trustee"), in Los Angeles, California, or such other place as designated by the Trustee. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of such Registered Owner as it appears on the registration books of the Trustee as of the preceding Record Date; provided that at the written request of the owner of at least \$1,000,000 aggregate principal amount of Bonds which written request is on file with the Trustee prior to the Record Date immediately preceding any Interest Payment Date, interest on such Bonds shall be paid on such Interest Payment Date by wire transfer to such account within the United States of America as shall be specified in such written request.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as the "Successor Agency to the Community Redevelopment Agency of the City of Buena Park Taxable Tax Allocation Refunding Parity Bonds, 2019 Series B" (the "Bonds") of an aggregate principal amount of \$_____, all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities or interest rates) and all issued under the provisions of Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Redevelopment Law") and the provisions of Article 11 (commencing with Section 53580) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California, and under an Indenture of Trust dated as of November 1, 2019, between the Successor Agency and the Trustee (the "Indenture"). The Bonds have been authorized to be issued by the Successor Agency under a resolution of the Successor Agency adopted on July 23, 2019. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all supplements thereto and to the Redevelopment Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues, as that term is defined in the Indenture, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency to refinance certain indebtedness previously incurred by the former Community Redevelopment Agency of the City of Buena Park under the Redevelopment Law in connection with the Consolidated Redevelopment Project in the City of Buena Park, California (the "Project Area"), a duly designated redevelopment project area under the laws of the State of California.

This Bond and the interest hereon are payable from, and are secured by a charge and lien on the Tax Revenues derived by the Successor Agency from the Project Area. As and to the extent set forth in the Indenture, all of the Tax Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture and the Redevelopment Law, to the payment of the principal of and interest on the Bonds. Notwithstanding the foregoing, certain amounts out of Tax Revenues may be applied for other purposes as provided in the Indenture.

This Bond is not a debt of the City of Buena Park, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties other than the Tax Revenues.

The rights and obligations of the Successor Agency and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall permit a change in the terms of maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages of the owners required to effect any such modification or amendment.

The Bonds are not subject to optional redemption prior to their respective stated maturity dates.

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

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at said corporate trust office of the Trustee in Los Angeles, California, or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

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

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

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

This Bond is not entitled to any benefit under the Indenture and is not valid or obligatory for any purpose until the certificate of authentication hereon endorsed has been signed by the Trustee.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK has caused this Bond to be executed in its name and on its behalf with the facsimile signature of the Mayor of the City of Buena Park, and has caused this Bond to be attested to by the facsimile signature of the City Clerk of the City of Buena Park, all as of the Original Issue Date specified above.

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF BUENA PARK**

By _____
Mayor
of the City of Buena Park

Attest:

City Clerk
of the City of Buena Park

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

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

Dated:

MUFG UNION BANK, N.A., as Trustee

By _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto _____ whose address and social security or other tax identifying number is _____, the within-mentioned Bond and hereby irrevocably _____ constitute(s) _____ and _____ appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

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

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.

APPENDIX C

PROVISIONS RELATING TO RESERVE POLICY

The following terms and provisions are hereby incorporated into this Indenture by this reference. Such provisions shall control and supersede any conflicting or inconsistent provisions in this Indenture.

ESCROW AGREEMENT

This ESCROW AGREEMENT (this "Agreement"), dated as of November 1, 2019, is between the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BUENA PARK, a public agency organized and existing under the laws of the State of California (the "Successor Agency"), and MUFG UNION BANK, N.A., a national banking association organized and existing under the laws of the United States of America, acting as escrow agent (the "Escrow Agent") and as trustee for the Prior Bonds described below.

B A C K G R O U N D :

1. Pursuant to Section 34172(a) of the California Health and Safety Code, the Community Redevelopment Agency of the City of Buena Park (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and the City Council of the City of Buena Park has elected to serve as the successor entity to the Former Agency.

2. In order to provide financing and refinancing for the Consolidated Redevelopment Project of the Former Agency, the Former Agency has previously issued the following bonds (collectively, the "Prior Bonds"):

- the Consolidated Redevelopment Project 2003 Tax Allocation Refunding Bonds issued in the aggregate principal amount of \$24,055,000 (the "2003 Bonds"), issued under an Indenture of Trust dated as of February 1, 2000 (the "2000 Bond Indenture"), between the Former Agency and Union Bank of California, N.A., as trustee (the "Trustee"), as amended and supplemented pursuant to a First Supplement to Indenture of Trust dated as of June 1, 2003 (the "First Supplement"), between the Former Agency and the Trustee;
- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Tax Allocation Bonds, Series A in the aggregate principal amount of \$48,800,000 (the "2008 Series A Bonds"), issued under the 2000 Bond Indenture, as amended and supplemented pursuant to a Second Supplement to Indenture of Trust dated as of February 1, 2008 (the "Second Supplement"), between the Former Agency and the Trustee; and
- the Community Redevelopment Agency of the City of Buena Park Consolidated Redevelopment Project 2008 Taxable Tax Allocation Bonds, Series B in the aggregate principal amount of \$26,920,000 (the "2008 Series B Bonds"), issued under the 2000 Bond Indenture, as amended and supplemented pursuant to a Third Supplement to Indenture of Trust dated as of February 1, 2008 (the "Third Supplement"), between the Former Agency and the Trustee.

3. The outstanding 2003 Bonds and the outstanding 2008 Series A Bonds are subject to redemption on any date and can be refunded at this time on a current basis,

and the outstanding 2008 Series B Bonds are not subject to redemption prior to their final maturity on September 1, 2023.

4. In order to provide funds to refund the outstanding 2003 Bonds and the outstanding 2008 Series A Bonds, the Successor Agency has authorized the issuance of its Successor Agency to the Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Parity Bonds, 2019 Series A in the aggregate principal amount of \$_____ (the "2019 Series A Bonds") under an Indenture of Trust dated as of November 1, 2019 (the "2019 Bond Indenture"), between the Successor Agency and MUFG Union Bank, N.A., as trustee (the "2019 Bond Trustee").

6. In order to provide funds to refund the outstanding 2008 Series B Bonds, the Successor Agency has authorized the issuance of its Successor Agency to the Community Redevelopment Agency of the City of Buena Park Taxable Tax Allocation Refunding Parity Bonds, 2019 Series B in the aggregate principal amount of \$_____ (the "2019 Series B Bonds") under the 2019 Bond Indenture.

7. The Successor Agency wishes to appoint the Escrow Agent for the purpose of establishing irrevocable escrow funds to be funded, invested, held and administered for the purpose of providing for the refunding all of the outstanding Prior Bonds as set forth in this Agreement.

A G R E E M E N T :

In consideration of the premises and the material covenants contained herein, the Successor Agency and the Escrow Agent hereby agree as follows:

SECTION 1. *Appointment of Escrow Agent.* The Successor Agency hereby appoints the Escrow Agent to act as escrow agent for purposes of administering the funds required to refund and discharge the Prior Bonds in accordance with the 2000 Bond Indenture, as amended and supplemented by the First Supplement, the Second Supplement and the Third Supplement (as so amended and supplemented, the "Prior Bonds Indenture").

SECTION 2. *Establishment of Escrow Funds.* The Escrow Agent is hereby directed to establish an escrow fund (the "Tax-Exempt Escrow Fund") for the refunding of the outstanding 2003 Bonds and the outstanding 2008 Series A Bonds. The Escrow Agent is hereby further directed to establish an escrow fund (the "Taxable Escrow Fund") for the refunding of the 2008 Series B Bonds.

The Tax-Exempt Escrow Fund and the Taxable Escrow Fund (collectively, the "Escrow Funds") shall be held in trust as an irrevocable escrow for the uses and purposes set forth herein. If at any time the Escrow Agent receives actual knowledge that the cash and securities in the Escrow Funds will not be sufficient to make any payment required by Sections 6 and 7, the Escrow Agent shall notify the Successor Agency of such fact and the Successor Agency shall immediately cure such deficiency from any source of legally available funds. The Escrow Agent has no liability for any such insufficiency.

The Escrow Agent may conclusively rely upon the verification report of Robert Thomas CPA, LLC as to the sufficiency of the funds on deposit in the Escrow Funds to make the payments required to be made hereunder in respect of the Prior Bonds.

SECTION 3. *Deposit of Amounts in Tax-Exempt Escrow Fund.* On November __, 2019 (the "Closing Date"), the Successor Agency shall cause to be transferred to the Escrow Agent for deposit into the Tax-Exempt Escrow Fund the amount of \$_____ in immediately available funds, to be derived from the following sources in the following respective amounts:

- (a) from the proceeds of the 2019 Series A Bonds in the amount of \$_____;
- (b) from the Reserve Account which has been established for the 2003 under Section 10.06(a) of the Prior Bonds Indenture, in the amount of \$_____;
- (c) from the Reserve Account which has been established for the 2008 Series A Bonds under Section 11.06(a) of the Prior Bonds Indenture, in the amount of \$_____; and
- (d) [include any additional transfers from the funds and accounts established for the 2003 Bonds and the 2008 Series A Bonds].

SECTION 4. *Deposit of Amounts in Taxable Escrow Fund.* On the Closing Date, the Successor Agency shall cause to be transferred to the Escrow Agent for deposit into the Taxable Escrow Fund the amount of \$_____ in immediately available funds, to be derived from the following sources in the following respective amounts:

- (a) from the proceeds of the 2019 Series B Bonds in the amount of \$_____;
- (b) from the Reserve Account which has been established for the 2008 Series B Bonds under Section 12.06(a) of the Prior Bonds Indenture, in the amount of \$_____; and
- (c) [include any additional transfers from the funds and accounts established for the 2008 Series B Bonds].

SECTION 5. *Investment of Amounts in Escrow Funds.*

(a) Investment of Tax-Exempt Escrow Fund. The Escrow Agent shall invest the amount of \$_____ on deposited in the Tax-Exempt Escrow Fund in the following securities, and shall hold the remaining \$_____ in cash, uninvested.

<u>Security</u>	<u>Type</u>	<u>Par Amount</u>	<u>Maturity Date</u>	<u>Coupon</u>	<u>Total Cost</u>
U.S. Treasury, State and Local Government Series ("SLGS")	Certificate				

(b) Investment of Taxable Escrow Fund. The Escrow Agent shall invest the amount of \$_____ on deposited in the Taxable Escrow Fund in the following securities, and shall hold the remaining \$_____ in cash, uninvested.

<u>Security</u>	<u>Type</u>	<u>Par Amount</u>	<u>Maturity Date</u>	<u>Coupon</u>	<u>Total Cost</u>
SLGS	Certificate		3/1/2020		
SLGS	Note		9/1/2020		
SLGS	Note		3/1/2021		
SLGS	Note		9/1/2021		
SLGS	Note		3/1/2022		
SLGS	Note		9/1/2022		
SLGS	Note		3/1/2023		
SLGS	Note		9/1/2023		

(c) No Other Investments. The Escrow Agent has no power or duty to invest any funds held under this Escrow Agreement except as provided in this Section. The Escrow Agent has no power or duty to transfer or otherwise dispose of the moneys held hereunder except as provided in this Agreement.

SECTION 6. *Application of Amounts in Tax-Exempt Escrow Fund*. The Escrow Agent shall apply the amounts on deposit in the Tax-Exempt Escrow Fund to pay and redeem the outstanding 2003 Bonds and the outstanding 2008 Series A Bonds in accordance with the schedules set forth in Exhibit A attached hereto and by this reference incorporated herein. Upon making all of the payments set forth in Exhibit A, the Escrow Agent shall transfer any amounts remaining on deposit in the Tax-Exempt Escrow Fund to the 2019 Bond Trustee to be applied to pay interest next coming due and payable on the 2019 Series A Bonds.

SECTION 7. *Application of Amounts in Taxable Escrow Fund*. The Escrow Agent shall apply the amounts on deposit in the Taxable Escrow Fund to pay the outstanding 2008 Series B Bonds in accordance with the schedule set forth in Exhibit B attached hereto and by this reference incorporated herein. Upon making all of the payments set forth in Exhibit B, the Escrow Agent shall transfer any amounts remaining on deposit in the Taxable Escrow Fund to the 2019 Bond Trustee to be applied to pay interest next coming due and payable on the 2019 Series B Bonds.

SECTION 8. *Irrevocable Election to Redeem Prior Bonds*. The Successor Agency hereby irrevocably elects to redeem the 2003 Bonds on January __, 2020, in accordance with Section 2.03(a) of the Prior Bonds Indenture. The Successor Agency hereby irrevocably elects to redeem all of the outstanding 2008 Series A Bonds on January __, 2020, in accordance with Section 10.04(a) of the Prior Bonds Indenture. Notice of redemption of the 2003 Bonds and the 2008 Series A Bonds shall be given by the Escrow Agent, in its capacity as the trustee for the 2003 Bonds and the 2008 Series A Bonds, in accordance with the provisions of Section 2.03 the Prior Bonds Indenture, at the expense of the Successor Agency.

As provided in the Prior Bonds Indenture, the 2008 Series B Bonds are not subject to redemption prior to their respective maturity dates.

SECTION 9. *Resignation of Escrow Agent*. The Escrow Agent may at any time resign by giving written notice of such resignation to the Successor Agency, and the Successor Agency shall promptly appoint a successor Escrow Agent by the resignation date. Resignation of the Escrow Agent will be effective only upon acceptance of

appointment by a successor Escrow Agent. If the Successor Agency does not appoint a successor, the Escrow Agent may at the expense of the Successor Agency petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Agent. After receiving a notice of resignation of Escrow Agent, the Successor Agency may appoint a temporary Escrow Agent to replace the resigning Escrow Agent until the Successor Agency appoints a successor Escrow Agent. Any such temporary Escrow Agent so appointed by the Successor Agency shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

SECTION 10. *Compensation to Escrow Agent.* The Successor Agency shall pay the Escrow Agent full compensation for its services under this Agreement, including reimbursing the Escrow Agent for its out-of-pocket costs such as publication costs, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase, substitution or withdrawal of any Escrow Securities after the date hereof. Under no circumstances shall amounts deposited in or credited to the Escrow Funds be deemed to be available for said purposes. The Escrow Agent has no lien upon or right of set off against the cash and Escrow Securities at any time on deposit in the Escrow Funds.

The Successor Agency shall indemnify, defend and hold harmless the Escrow Agent and its officers, directors, employees, representatives and agents, from and against and reimburse the Escrow Agent for any and all claims, obligations, liabilities, losses, damages, actions, suits, judgments, reasonable costs and expenses (including reasonable attorneys' and agents' fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claimed against the Escrow Agent directly or indirectly relating to, or arising from, claims against the Escrow Agent by reason of its participation in the transactions contemplated hereby, except to the extent caused by the Escrow Agent's gross negligence or willful misconduct. The provisions of this Section shall survive the termination of this Agreement or the earlier resignation or removal of the Escrow Agent.

SECTION 11. *Immunities and Liability of Escrow Agent.* The Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement and no implied duties, covenants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent shall not have any liability hereunder except to the extent of its gross negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages. The Escrow Agent shall not be liable for any loss from any investment made by it in accordance with the terms of this Agreement. The Escrow Agent may consult with legal counsel of its own choice and the Escrow Agent shall not be liable for any action taken or not taken by it in good faith in reliance upon the opinion or advice of such counsel. The Escrow Agent shall not be liable for the recitals or representations contained in this Agreement and shall not be responsible for the validity of this Agreement, the sufficiency of the Escrow Funds or the moneys and Escrow Securities to pay the principal, interest and redemption price of the Prior Bonds.

Whenever in the administration of this Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or not taking any action, such matter may be deemed to be conclusively proved and established by a certificate of an authorized representative of the Successor Agency and shall be full

protection for any action taken or not taken by the Escrow Agent in good faith reliance thereon.

The Escrow Agent may conclusively rely as to the truth and accuracy of the statements and correctness of any opinions or calculations provided to it in connection with this Agreement and shall be protected in acting, or refraining from acting, upon any notice, instruction, request, certificate, document, opinion or other writing furnished to the Escrow Agent in connection with this Agreement and believed by the Escrow Agent to be signed by the proper party, and it need not investigate any fact or matter stated therein.

None of the provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of *force majeure*. The term "*force majeure*" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. *Force majeure* includes acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

Any bank, corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Agent shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Agreement and delivered using Electronic Means ("Electronic Means" means mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); *provided, however*, that the Successor Agency shall provide to the Escrow Agent an incumbency certificate listing officers with the Successor Agency to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent

have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

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

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of securities that is to be submitted pursuant hereto, the Escrow Agent shall promptly request alternative written investment instructions from the Successor Agency with respect to escrowed funds which were to be invested in securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the Successor Agency. In the absence of investment instructions from the Successor Agency, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the Successor Agency's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the Successor Agency the alternative investments or for compliance with any yield restriction applicable thereto.

SECTION 12. *Purpose of Agreement; Amendment.* This Agreement is entered into by the Successor Agency for the purpose of providing funds to discharge and defease the Prior Bonds under and with the effect set forth in the Prior Bonds Indenture. The Successor Agency hereby certifies its intention to discharge all indebtedness represented by the Prior Bonds under the respective provisions of the Prior Bonds Indenture.

This Agreement may be amended by the parties hereto, but only if there shall have been filed with the Successor Agency and the Escrow Agent a written opinion of Bond

Counsel stating that such amendment will not materially adversely affect the interests of the owners of the Prior Bonds, and that such amendment will not cause interest on the Prior Bonds or the Series A Bonds to become includable in the gross income of the owners thereof for federal income tax purposes.

SECTION 13. *Termination of Agreement.* Upon payment in full of the principal of and interest and redemption price of the Prior Bonds, and upon payment of all fees, expenses and charges of the Escrow Agent as described above, this Agreement shall terminate and the Escrow Agent shall be discharged from any further obligation or responsibility hereunder.

SECTION 14. *Execution in Counterparts.* This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF BUENA PARK**

By: _____
Mayor
of the City of Buena Park

**MUFG UNION BANK, N.A., as Escrow
Agent and as Trustee for the Prior Bonds**

By _____
Authorized Officer

EXHIBIT A

PAYMENTS FROM TAX-EXEMPT ESCROW FUND

2003 Bond Payment Schedule

<u>Payment Date</u>	<u>Interest Payment</u>	<u>Redeemed Principal</u>	<u>Total Payment</u>
January __, 2020			

2008 Series A Bond Payment Schedule

<u>Payment Date</u>	<u>Interest Payment</u>	<u>Redeemed Principal</u>	<u>Total Payment</u>
January __, 2020			

EXHIBIT B

PAYMENTS FROM TAXABLE ESCROW FUND

2008 Series B Bond Payment Schedule

<u>Payment Date</u>	<u>Interest</u>	<u>Maturing Principal</u>	<u>Total Payment</u>
03/01/2020			
09/01/2020			
03/01/2021			
09/01/2021			
03/01/2022			
09/01/2022			
03/01/2023			
09/01/2023			

SOURCES AND USES OF FUNDS

Successor Agency to Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Bonds

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Sources:	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding	Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding	Total
Bond Proceeds:				
Par Amount	5,360,000.00	34,475,000.00	10,855,000.00	50,690,000.00
Premium	518,648.65	7,936,986.50		8,455,635.15
	<u>5,878,648.65</u>	<u>42,411,986.50</u>	<u>10,855,000.00</u>	<u>59,145,635.15</u>
Other Sources of Funds:				
Debt Service Reserve Fund	1,667,200.00	3,700,973.00	1,866,865.33	7,235,038.33
	<u>7,545,848.65</u>	<u>46,112,959.50</u>	<u>12,721,865.33</u>	<u>66,380,673.48</u>
<hr/>				
Uses:	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding	Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding	Total
Refunding Escrow Deposits:				
SLGS Purchases	7,468,145.00	45,428,071.00	12,566,218.00	65,462,434.00
Cash Deposit		0.46	0.06	0.52
	<u>7,468,145.00</u>	<u>45,428,071.46</u>	<u>12,566,218.06</u>	<u>65,462,434.52</u>
Delivery Date Expenses:				
Cost of Issuance	30,241.86	194,512.72	61,245.42	286,000.00
Underwriter's Discount	25,015.12	160,894.83	50,660.28	236,570.23
Surety Bond	20,583.69	132,392.28	41,685.81	194,661.78
Bond Insurance		194,259.92		194,259.92
	<u>75,840.67</u>	<u>682,059.75</u>	<u>153,591.51</u>	<u>911,491.93</u>
Other Uses of Funds:				
Rounding	1,862.98	2,828.29	2,055.76	6,747.03
	<u>7,545,848.65</u>	<u>46,112,959.50</u>	<u>12,721,865.33</u>	<u>66,380,673.48</u>

Note: Rates as of July 2019

SUMMARY OF REFUNDING RESULTS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding	Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding	Total
Dated Date	11/01/2019	11/01/2019	11/01/2019	11/01/2019
Delivery Date	11/01/2019	11/01/2019	11/01/2019	11/01/2019
Arbitrage Yield	2.010678%	2.010678%	2.674677%	2.010678%
Escrow Yield	2.010513%	2.010669%	1.834295%	2.010650%
Value of Negative Arbitrage	1.02	0.33	234,684.35	234,685.70
Bond Par Amount	5,360,000.00	34,475,000.00	10,855,000.00	50,690,000.00
True Interest Cost	1.554552%	2.371149%	2.711494%	2.359037%
Net Interest Cost	1.658251%	2.706763%	2.702436%	2.663608%
Average Coupon	4.826292%	4.993921%	2.504358%	4.820013%
Average Life	2.907	9.862	2.356	7.519
Par amount of refunded bonds	7,405,000.00	44,875,000.00	11,285,000.00	63,565,000.00
Average coupon of refunded bonds	4.118509%	5.720669%	6.253000%	5.680556%
Average life of refunded bonds	2.913	10.077	2.408	7.881
PV of prior debt	7,891,620.30	60,177,235.93	12,516,419.31	80,585,275.54
Net PV Savings	445,470.73	12,978,585.11	-325,446.04	13,098,609.80
Percentage savings of refunded bonds	6.015810%	28.921638%	-2.883882%	20.606639%
Percentage savings of refunding bonds	8.311021%	37.646367%	-2.998121%	25.840619%

BOND PRICING

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	09/01/2020	1,015,000	4.000%	1.310%	102.220
	09/01/2021	1,015,000	4.000%	1.380%	104.725
	09/01/2022	1,055,000	5.000%	1.390%	109.993
	09/01/2023	1,110,000	5.000%	1.400%	113.388
	09/01/2024	1,165,000	5.000%	1.420%	116.663
		5,360,000			

Dated Date	11/01/2019	
Delivery Date	11/01/2019	
First Coupon	03/01/2020	
Par Amount	5,360,000.00	
Premium	518,648.65	
Production	5,878,648.65	109.676281%
Underwriter's Discount	-25,015.12	-0.466700%
Purchase Price	5,853,633.53	109.209581%
Accrued Interest		
Net Proceeds	5,853,633.53	

BOND PRICING

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Call Date for Arb Yield	Call Price for Arb Yield
Bond Component:										
	09/01/2020	940,000	4.000%	1.310%	102.220					
	09/01/2021	700,000	4.000%	1.380%	104.725					
	09/01/2022	755,000	5.000%	1.390%	109.993					
	09/01/2023	775,000	5.000%	1.400%	113.388					
	09/01/2024	1,400,000	5.000%	1.420%	116.663					
	09/01/2025	2,390,000	5.000%	1.510%	119.415					
	09/01/2026	2,510,000	5.000%	1.550%	122.285					
	09/01/2027	2,635,000	5.000%	1.660%	124.436					
	09/01/2028	2,770,000	5.000%	1.730%	126.677					
	09/01/2029	2,910,000	5.000%	1.800%	128.718					
		17,785,000								
Insured Serial Bonds:										
	09/01/2030	2,795,000	5.000%	1.920%	127.477	C 2.144%	09/01/2029	100.000	09/01/2029	100.000
	09/01/2031	2,930,000	5.000%	2.030%	126.351	C 2.425%	09/01/2029	100.000	09/01/2029	100.000
	09/01/2032	3,080,000	5.000%	2.150%	125.136	C 2.673%	09/01/2029	100.000	09/01/2029	100.000
	09/01/2033	2,655,000	5.000%	2.190%	124.734	C 2.827%	09/01/2029	100.000	09/01/2029	100.000
	09/01/2034	2,785,000	5.000%	2.240%	124.234	C 2.968%	09/01/2029	100.000	09/01/2029	100.000
	09/01/2035	2,445,000	5.000%	2.280%	123.836	C 3.085%	09/01/2029	100.000	09/01/2029	100.000
		16,690,000								
		34,475,000								

BOND PRICING

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Dated Date	11/01/2019	
Delivery Date	11/01/2019	
First Coupon	03/01/2020	
Par Amount	34,475,000.00	
Premium	7,936,986.50	
Production	42,411,986.50	123.022441%
Underwriter's Discount	-160,894.83	-0.466700%
Purchase Price	42,251,091.67	122.555741%
Accrued Interest		
Net Proceeds	42,251,091.67	

BOND PRICING

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Taxable Serial Bonds:					
	09/01/2020	2,655,000	2.300%	2.300%	100.000
	09/01/2021	2,670,000	2.450%	2.450%	100.000
	09/01/2022	2,730,000	2.520%	2.520%	100.000
	09/01/2023	2,800,000	2.560%	2.560%	100.000
		10,855,000			

Dated Date	11/01/2019	
Delivery Date	11/01/2019	
First Coupon	03/01/2020	
Par Amount	10,855,000.00	
Original Issue Discount		
Production	10,855,000.00	100.000000%
Underwriter's Discount	-50,660.28	-0.466700%
Purchase Price	10,804,339.72	99.533300%
Accrued Interest		
Net Proceeds	10,804,339.72	

BOND DEBT SERVICE

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2020	1,015,000	4.000%	206,416.66	1,221,416.66
09/01/2021	1,015,000	4.000%	207,100.00	1,222,100.00
09/01/2022	1,055,000	5.000%	166,500.00	1,221,500.00
09/01/2023	1,110,000	5.000%	113,750.00	1,223,750.00
09/01/2024	1,165,000	5.000%	58,250.00	1,223,250.00
	5,360,000		752,016.66	6,112,016.66

BOND DEBT SERVICE

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2020	940,000	4.000%	1,422,791.65	2,362,791.65
09/01/2021	700,000	4.000%	1,669,750.00	2,369,750.00
09/01/2022	755,000	5.000%	1,641,750.00	2,396,750.00
09/01/2023	775,000	5.000%	1,604,000.00	2,379,000.00
09/01/2024	1,400,000	5.000%	1,565,250.00	2,965,250.00
09/01/2025	2,390,000	5.000%	1,495,250.00	3,885,250.00
09/01/2026	2,510,000	5.000%	1,375,750.00	3,885,750.00
09/01/2027	2,635,000	5.000%	1,250,250.00	3,885,250.00
09/01/2028	2,770,000	5.000%	1,118,500.00	3,888,500.00
09/01/2029	2,910,000	5.000%	980,000.00	3,890,000.00
09/01/2030	2,795,000	5.000%	834,500.00	3,629,500.00
09/01/2031	2,930,000	5.000%	694,750.00	3,624,750.00
09/01/2032	3,080,000	5.000%	548,250.00	3,628,250.00
09/01/2033	2,655,000	5.000%	394,250.00	3,049,250.00
09/01/2034	2,785,000	5.000%	261,500.00	3,046,500.00
09/01/2035	2,445,000	5.000%	122,250.00	2,567,250.00
	34,475,000		16,978,791.65	51,453,791.65

BOND DEBT SERVICE

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2020	2,655,000	2.300%	222,463.33	2,877,463.33
09/01/2021	2,670,000	2.450%	205,891.00	2,875,891.00
09/01/2022	2,730,000	2.520%	140,476.00	2,870,476.00
09/01/2023	2,800,000	2.560%	71,680.00	2,871,680.00
	10,855,000		640,510.33	11,495,510.33

BOND DEBT SERVICE BREAKDOWN

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Period Ending	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding	Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding	Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding	Total
09/01/2020	1,221,416.66	2,362,791.65	2,877,463.33	6,461,671.64
09/01/2021	1,222,100.00	2,369,750.00	2,875,891.00	6,467,741.00
09/01/2022	1,221,500.00	2,396,750.00	2,870,476.00	6,488,726.00
09/01/2023	1,223,750.00	2,379,000.00	2,871,680.00	6,474,430.00
09/01/2024	1,223,250.00	2,965,250.00		4,188,500.00
09/01/2025		3,885,250.00		3,885,250.00
09/01/2026		3,885,750.00		3,885,750.00
09/01/2027		3,885,250.00		3,885,250.00
09/01/2028		3,888,500.00		3,888,500.00
09/01/2029		3,890,000.00		3,890,000.00
09/01/2030		3,629,500.00		3,629,500.00
09/01/2031		3,624,750.00		3,624,750.00
09/01/2032		3,628,250.00		3,628,250.00
09/01/2033		3,049,250.00		3,049,250.00
09/01/2034		3,046,500.00		3,046,500.00
09/01/2035		2,567,250.00		2,567,250.00
	6,112,016.66	51,453,791.65	11,495,510.33	69,061,318.64

SAVINGS

Successor Agency to Community Redevelopment Agency of the City of Buena Park Tax Allocation Refunding Bonds

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/01/2019 @ 2.0106778%
09/01/2020	8,213,558.58	6,461,671.64	1,751,886.94	1,733,017.53
09/01/2021	8,222,318.82	6,467,741.00	1,754,577.82	1,697,152.99
09/01/2022	8,261,411.92	6,488,726.00	1,772,685.92	1,680,020.25
09/01/2023	8,230,644.92	6,474,430.00	1,756,214.92	1,630,899.27
09/01/2024	5,768,187.52	4,188,500.00	1,579,687.52	1,437,715.10
09/01/2025	5,374,112.52	3,885,250.00	1,488,862.52	1,328,279.06
09/01/2026	5,375,575.02	3,885,750.00	1,489,825.02	1,302,615.50
09/01/2027	5,375,175.02	3,885,250.00	1,489,925.02	1,276,663.40
09/01/2028	5,374,875.02	3,888,500.00	1,486,375.02	1,248,154.21
09/01/2029	5,379,125.02	3,890,000.00	1,489,125.02	1,225,433.15
09/01/2030	5,017,281.26	3,629,500.00	1,387,781.26	1,119,275.36
09/01/2031	5,013,593.76	3,624,750.00	1,388,843.76	1,097,670.26
09/01/2032	5,018,375.00	3,628,250.00	1,390,125.00	1,076,632.53
09/01/2033	4,215,500.00	3,049,250.00	1,166,250.00	885,255.37
09/01/2034	4,214,687.50	3,046,500.00	1,168,187.50	868,906.32
09/01/2035	3,554,062.50	2,567,250.00	986,812.50	719,210.79
	92,608,484.38	69,061,318.64	23,547,165.74	20,326,901.10

Savings Summary

PV of savings from cash flow	20,326,901.10
Less: Prior funds on hand	-7,235,038.33
Plus: Refunding funds on hand	6,747.03
Net PV Savings	13,098,609.80

SAVINGS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/01/2019 @ 2.0106778%
09/01/2020	1,667,420.00	1,221,416.66	446,003.34	439,307.91
09/01/2021	1,667,820.00	1,222,100.00	445,720.00	429,865.22
09/01/2022	1,671,020.00	1,221,500.00	449,520.00	424,864.27
09/01/2023	1,670,340.00	1,223,750.00	446,590.00	413,698.12
09/01/2024	1,667,200.00	1,223,250.00	443,950.00	403,072.23
	8,343,800.00	6,112,016.66	2,231,783.34	2,110,807.75

Savings Summary

PV of savings from cash flow	2,110,807.75
Less: Prior funds on hand	-1,667,200.00
Plus: Refunding funds on hand	1,862.98
Net PV Savings	445,470.73

SAVINGS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/01/2019 @ 2.0106778%
09/01/2020	3,265,487.52	2,362,791.65	902,695.87	894,579.47
09/01/2021	3,279,862.52	2,369,750.00	910,112.52	881,261.39
09/01/2022	3,316,462.52	2,396,750.00	919,712.52	872,827.30
09/01/2023	3,287,712.52	2,379,000.00	908,712.52	845,322.83
09/01/2024	4,100,987.52	2,965,250.00	1,135,737.52	1,034,642.88
09/01/2025	5,374,112.52	3,885,250.00	1,488,862.52	1,328,279.06
09/01/2026	5,375,575.02	3,885,750.00	1,489,825.02	1,302,615.50
09/01/2027	5,375,175.02	3,885,250.00	1,489,925.02	1,276,663.40
09/01/2028	5,374,875.02	3,888,500.00	1,486,375.02	1,248,154.21
09/01/2029	5,379,125.02	3,890,000.00	1,489,125.02	1,225,433.15
09/01/2030	5,017,281.26	3,629,500.00	1,387,781.26	1,119,275.36
09/01/2031	5,013,593.76	3,624,750.00	1,388,843.76	1,097,670.26
09/01/2032	5,018,375.00	3,628,250.00	1,390,125.00	1,076,632.53
09/01/2033	4,215,500.00	3,049,250.00	1,166,250.00	885,255.37
09/01/2034	4,214,687.50	3,046,500.00	1,168,187.50	868,906.32
09/01/2035	3,554,062.50	2,567,250.00	986,812.50	719,210.79
	71,162,875.22	51,453,791.65	19,709,083.57	16,676,729.82

Savings Summary

PV of savings from cash flow	16,676,729.82
Less: Prior funds on hand	-3,700,973.00
Plus: Refunding funds on hand	2,828.29
Net PV Savings	12,978,585.11

SAVINGS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/01/2019 @ 2.0106778%
09/01/2020	3,280,651.06	2,877,463.33	403,187.73	399,130.15
09/01/2021	3,274,636.30	2,875,891.00	398,745.30	386,026.39
09/01/2022	3,273,929.40	2,870,476.00	403,453.40	382,328.68
09/01/2023	3,272,592.40	2,871,680.00	400,912.40	371,878.32
	13,101,809.16	11,495,510.33	1,606,298.83	1,539,363.53

Savings Summary

PV of savings from cash flow	1,539,363.53
Less: Prior funds on hand	-1,866,865.33
Plus: Refunding funds on hand	2,055.76
Net PV Savings	-325,446.04

ESCROW REQUIREMENTS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

2003 Bonds

Period Ending	Interest	Principal Redeemed	Total
12/01/2019	75,605.00	7,405,000.00	7,480,605.00
	75,605.00	7,405,000.00	7,480,605.00

ESCROW REQUIREMENTS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

2008 Tax Allocation Bonds, Series A

Period Ending	Interest	Principal Redeemed	Total
12/01/2019	628,871.90	44,875,000.00	45,503,871.90
	628,871.90	44,875,000.00	45,503,871.90

ESCROW REQUIREMENTS

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

2008 Tax Allocation Bonds, Series B

Period Ending	Principal	Interest	Total
03/01/2020		352,825.53	352,825.53
09/01/2020	2,575,000.00	352,825.53	2,927,825.53
03/01/2021		272,318.15	272,318.15
09/01/2021	2,730,000.00	272,318.15	3,002,318.15
03/01/2022		186,964.70	186,964.70
09/01/2022	2,900,000.00	186,964.70	3,086,964.70
03/01/2023		96,296.20	96,296.20
09/01/2023	3,080,000.00	96,296.20	3,176,296.20
	11,285,000.00	1,816,809.16	13,101,809.16

ESCROW COST

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2003 Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	12/01/2019	6,973,161	2.180%	6,973,161.00
SLGS	12/01/2019	494,984		494,984.00
		7,468,145		7,468,145.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
11/01/2019	7,468,145		7,468,145.00
	7,468,145	0.00	7,468,145.00

ESCROW COST

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Tax Allocation Refunding Bonds 2019 Series A Allocable to 2008A Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	12/01/2019	42,420,432	2.180%	42,420,432.00
SLGS	12/01/2019	3,007,639		3,007,639.00
				45,428,071
				45,428,071.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
11/01/2019	45,428,071	0.46	45,428,071.46
	45,428,071	0.46	45,428,071.46

ESCROW COST

Successor Agency to Community Redevelopment Agency of the City of Buena Park
Taxable Tax Allocation Refunding Bonds 2019 Series B Allocable to 2008B Bonds Refunding

Debt Service Savings Analysis for July 23, 2019 Successor Agency Agenda

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	03/01/2020	293,217	2.190%	293,217.00
SLGS	09/01/2020	2,793,862	2.040%	2,793,862.00
SLGS	03/01/2021	185,851	1.930%	185,851.00
SLGS	09/01/2021	2,917,645	1.870%	2,917,645.00
SLGS	03/01/2022	129,571	1.820%	129,571.00
SLGS	09/01/2022	3,030,750	1.800%	3,030,750.00
SLGS	03/01/2023	67,358	1.800%	67,358.00
SLGS	09/01/2023	3,147,964	1.800%	3,147,964.00
		12,566,218		12,566,218.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
11/01/2019	12,566,218	0.06	12,566,218.06
	12,566,218	0.06	12,566,218.06