

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Indenture of Trust , Building Removal Funding Agreements, Bond Purchase Agreement and Preliminary Official Statement	
Meeting Date:	May 22, 2020	ACTION
Agenda Number:	7c	

RECOMMENDATION:

Adopt Resolution 20-xx (**Attachment A**): Approving the Form and Authorizing Distribution of a Preliminary Official Statement in Connection with the Offering and Sale of Tax Allocation Bonds to Fund Building Removal Costs, Affirming Revised Documents Related to the Bonds, and Approving Related Documents and Actions

BACKGROUND/DISCUSSION:

Introduction

FORA's finance team is working to issue the 2020 Tax Allocation Bonds (the "Bonds") to fund building remediation work for FORA by early June. Pursuant to that work, the FORA Board needs to approve certain legal documents. Staff and the finance team requests that the Board approve certain documents called: "Bond Purchase Agreements", "Preliminary Official Statement; Continuing Disclosure Certificate", "Revised Funding Agreements", and "Irrevocable Direction to Transfer Funds"; as well as ratify an updated Indenture of Trust, initially approved at the December 13, 2019 meeting. The documents for consideration by the Board for approval are described below:

Indenture of Trust

The Board authorized the Bonds and approved a bond indenture at its December 13, 2019 board meeting. However, the following major changes have been made to this document since then (**Attachment B**):

- 1) No pledge of the FORA share of the tax increment from the County's East Garrison project area is made to the Bonds
- 2) Bond proceeds may be used to pay the termination payment owed by FORA to CalPERS after FORA's termination on June 30, 2020.
- 3) Changes to the allocation percentages for bond proceeds for the FORA stakeholders, as shown below:
 - a. City of Marina – 52.25%
 - b. City of Seaside – 34.50%
 - c. Transportation Agency for Monterey County – 7.00%
 - d. Marina Coast Water District – 5.25%
 - e. Monterey-Salinas Transit District – 1.00%
- 4) An escrow term bond for the City of Marina

The Indenture provides that any Bond proceeds allocated to make the CalPERS termination payment left over after making such payment shall be re-allocated by the trustee according to the percentages identified above.

The escrow term bond for Marina provides additional potential funding for building removal by the City of Marina. This additional funding is contingent on the following:

- 1) There is growth in assessed valuation in the Marina Project Area after the issuance of the Bonds over and above what is required to maintain 125% coverage of FORA Bonds debt service from both Marina and Seaside tax increment.
- 2) No increase in assessed valuation in Seaside shall count towards the release of any bond proceeds from the Marina escrow term bond.
- 3) If any of the proceeds of the escrow term bond have not been released by a date certain, the remaining proceeds will be used to pay off the remaining escrow term bonds.

To make this feature work without adversely impacting any of the other FORA stakeholders, the City of Marina will use a portion of its 52.25% allocation of FORA bond proceeds at closing to pay the additional financing costs for the escrow term bonds and to pre-fund interest on its escrow term bonds through the date certain for mandatory redemption described above. The City is working with its consultants to make a final decision on both the sizing of the escrow term bond and the appropriate date for mandatory redemption.

Bond Purchase Agreement

This document (**Attachment C**) is the proposed contract between FORA and its Bond underwriting team of Stifel and Citi. It sets forth the conditions under which the FORA Bond underwriting team will commit to purchase the FORA Bonds. The document will be executed at the time of the actual bond sale.

Preliminary Official Statement; Continuing Disclosure Certificate

The Preliminary Official Statement is the disclosure document to investors in the Bonds regarding the potential risks (**Attachment D**). These risks described in this document are events that could result in a reduction in the flow of property tax increment from the Marina and Seaside project areas. The draft attached also includes special disclosure language regarding COVID-19; and includes as an appendix a Continuing Disclosure Certificate pursuant to which FORA (and the administrator of the bonds) agrees to provide ongoing disclosures to bond investors.

Revised Funding Agreements

The Resolution approves revised funding agreements. While the Board approved these documents at its April 30th meeting, the following changes have been made (**Attachment E**):

- 1) No Funding Agreement for County
- 2) Allowance for re-allocation of any used bond proceeds after CalPERS termination payment to Funding Agreements per the revised allocation percentages stated above
- 3) Allowance for allocation to Marina from release of bond proceeds from the Marina escrow term bond

Irrevocable Direction to Transfer Funds

This document (**Attachment F**) to be executed by the County, FORA and the City of Marina (acting as FORA Bond administrator) provides direction for the County to do the following:

- 1) Transfer the FORA share of property tax increment from the Marina and Seaside project areas to the FORA Bond trustee for the payment of debt service.
- 2) After debt service on the FORA Bonds has been fully funded for a given Bond Year, re-allocate the surplus property tax increment received by the County from the FORA Bond trustee as provided for in the FORA authorizing statute.

This document also provides that “the County shall incur no monetary liability in respect of the foregoing directions, and that the sole remedy for any noncompliance by the County with this direction by FORA shall be an action to compel performance.”

Bond and Disclosure Counsel Agreement

Resolution No. 19-13 approved the law firm of Quint & Thimmig, LLP to serve as bond counsel and disclosure counsel for the Bonds. In that role they have drafted all of the documents approved by the Resolution except the Bond Purchase Agreement (that was prepared by counsel to the bond underwriters). The Resolution expressly approves the contract between FORA and Quint & Thimmig, LLP for its services (**Attachment G**).

Schedule

FORA’s finance team anticipates selling the Bonds on June 11th and closing the Bond financing on June 25th.

Good Faith Estimates

The following information consists of estimates that have been provided by the Municipal Advisor and has been represented by such party to have been provided in good faith:

- A. True Interest Cost of the Bonds: 3.35%
- B. Finance Charge of the Bonds (Sum of all fees/charges paid to third parties): \$995,000
- C. Net Proceeds of the Bonds to be Received (net of finance charges, reserves and capitalized interest, if any): \$28,705,000

- a. This amount is inclusive of a \$5M Marina escrow term bond
- D. Total Payment Amount through Maturity of the Bonds: \$39,356,000

The foregoing constitute good faith estimates only. The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to: (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates; (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates; (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates; (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates; (e) other market conditions; or (f) alterations in the Authority's financing plan, or a combination of such factors.

The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the Authority based on a variety of factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.

FISCAL IMPACT:

Reviewed by FORA Controller _____

COORDINATION:

Authority Counsel. NHA Advisors. Quint & Thimmig LLP, City of Seaside. City of Marina. County of Monterey.

Prepared by NHA Advisors. Approved by _____
Joshua Metz

ATTACHMENTS:

- A. Resolution 20-xx: Approving, and Authorizing the Execution and Delivery of, Irrevocable Direction to Transfer Funds, Bond Purchase Agreement, Official Statement, and Revised Funding Agreements, and Ratifying Changes to Bond Indenture of Trust in Connection with Tax Allocation Bonds to Fund Building Removal Costs, and Approving Related Actions (p. 5)
- B. Indenture of Trust (p. 10)
- C. Bond Purchase Agreement (p. 76)
- D. Preliminary Official Statement and Continuing Disclosure Certificate (pending)
- E. Revised Funding Agreements (p. 101)
- F. Irrevocable Direction to Transfer Funds (p. 147)
- G. Bond and Disclosure Counsel Agreement (p. 153)

FORT ORD REUSE AUTHORITY
Resolution No. 20-_____

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY

Approving the Form and Authorizing Distribution of a Preliminary Official Statement in Connection With the Offering and Sale of Tax Allocation Bonds to Fund Building Removal Costs, Affirming Revised Documents Related to the Bonds, and Approving Related Documents and Actions

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

A. On December 13, 2019, the Board of Directors (the "Board") of the Fort Ord Reuse Authority (the "Authority") adopted Resolution No. 19-13 ("Resolution 19-13") authorizing the issuance of tax allocation revenue bonds (the "Bonds") and approving and authorizing the execution and delivery of an Indenture (the "Indenture") among the Authority, U.S. Bank National Association, as trustee (the "Trustee") and the City of Marina, California, as administrator (in such capacity, the "Administrator"), among other matters, in order to finance Building Removal Costs, as defined in the Indenture.

B. On April 30, 2020, the Board adopted Resolution No. 20-02 ("Resolution No. 20-02" and, together with Resolution No. 19-13, the "Prior Resolutions"), approving Building Removal Funding Agreements (collectively, the "Funding Agreements"), with the Cities of Marina and Seaside, the County of Monterey (the "County"), the Transportation Agency of Monterey County, the Marina Coast Water District and the Monterey-Salinas Transit District (collectively, the "Local Agencies"), and authorizing the execution and delivery of the Funding Agreements, as well as designating the allocation of Bond proceeds available to fund Building Removal Costs to be inserted therein.

C. Due to changing circumstances, including, among other changes, a desire to allow the use of Bond proceeds to provide for any shortfall in funds available to satisfy any liability of the Authority to CalPERS, and a decision not to include tax increment revenues from the East Garrison Redevelopment Project Area in the Pledged Tax Revenues pledged under, and as such capitalized term is defined in, the Indenture, to the repayment of the Bonds, various revisions have been made to the Indenture and the Funding Agreements, and it has been determined that the County will not enter into a Funding Agreement with the Authority and the Administrator (referred to in this Resolution as the "Canceled County Funding Agreement").

D. The Board now desires to approve and authorize the execution and delivery of the revised Indenture and Funding Agreements (except for the Canceled County Funding Agreement), and to proceed with the sale and issuance of the Bonds.

E. A preliminary official statement to be used in connection with the offering of the Bonds (the "Preliminary Official Statement"), as well as a bond purchase agreement to be used in connection with the sale of the Bonds to the Underwriters identified in this Resolution (the "Bond Purchase Agreement"), have been prepared and it is appropriate at this time for the Authority to

approve the forms thereof and the distribution of the Preliminary Official Statement to prospective purchasers of the Bonds.

NOW THEREFORE the Board hereby resolves that:

1. The foregoing recitals are true and correct.
2. The Board hereby acknowledges that proceeds of the Bonds will be used to finance Building Removal Costs, and to pay costs of issuance of the Bonds (which may include costs of a reserve fund insurance policy (a "Reserve Policy") for the Bonds, and an insurance policy ("Bond Insurance") for the payment of the Bonds), to make a cash deposit to the Reserve Account under the Indenture if required by the Underwriters to fund a reserve fund for the Bonds with cash, and to pay the debt of the Authority to CalPERS in excess of available funds allocated thereto in connection with the Authority's transition plan, all as provided in the Indenture as approved below. The Board hereby further acknowledges that the Pledged Tax Revenues to be used to repay the Bonds will only include tax increment revenues allocated to the Authority before and after its dissolution pursuant to the California Health and Safety Code derived from the Seaside-Fort Ord Project Area and the Marina Redevelopment Project No. 3, as provided in the Indenture approved below, and the Board hereby determines that only such Pledged Tax Revenues are needed to pay amounts owing on the Bonds and otherwise under the Indenture, including any amounts that may be owing to the provider of any Reserved Policy and Bond Insurance, and Administrative Expenses (as defined in the Indenture).
3. The Board hereby approves the revised Indenture in the form on file with the Secretary. The Chair, the Executive Officer and the Controller/Finance Manager of the Authority (each, an "Authorized Officer"), each acting alone, are hereby authorized and directed to execute and deliver the revised Indenture for and in the name and on behalf of the Authority in such form, together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, upon consultation with Bond Counsel and the Counsel to the Authority, such approval to be conclusively evidenced by the execution and delivery by an Authorized Officer of the Indenture. The Board hereby authorizes the delivery and performance of the Indenture.
4. The Board hereby authorizes and directs the Executive Officer to execute and deliver the Irrevocable Direction to Transfer Funds to the County Auditor-Controller and the County Treasurer Tax-Collector, in the form on file with the Secretary, together with such changes thereto as the Executive Officer, upon consultation with Bond Counsel and Counsel to the Authority, may approve, so long as the Pledged Tax Revenues as defined therein remains consistent with the Pledged Tax Revenues as defined in the revised Indenture approved above.
5. The bond purchase agreement for the Bonds (the "Purchase Contract") between the Authority and Stifel Nicolaus & Company Incorporated and Citibank, N.A. (collectively, the "Underwriters"), in the form on file with the Secretary, is hereby approved. The Executive Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to accept the offer of the Underwriters to purchase the Bonds contained in the Purchase Contract (provided that the aggregate principal amount of the Bonds sold thereby is not in excess of

\$55,000,000, any Underwriters' discount is not in excess of 0.70%, and the true interest cost of the Bonds is not in excess of 4.50% per annum), and to execute and deliver the Purchase Contract in said form, with such additions thereto or changes therein as are recommended or approved by the Executive Officer upon consultation with Bond Counsel, Counsel to the Authority and the Authority's Municipal Advisor, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Purchase Contract by the Executive Officer.

6. The Board hereby approves the Preliminary Official Statement in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by the Executive Officer following consultation with Counsel to the Authority and Disclosure Counsel. The Board authorizes the Executive Officer to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution to prospective purchasers of the Bonds.

The Executive Officer is hereby authorized and directed to assist the Disclosure Counsel in causing the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement"), and the Executive Officer, on behalf of the Authority, is hereby authorized to execute the Final Official Statement and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Bonds, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Bonds, and does not, as of the date of delivery of the Bonds contain any untrue statement of material fact or omit to state any material fact required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. The execution and delivery by the Executive Officer of the Final Official Statement, which shall include such changes and additions thereto deemed advisable by the Executive Officer, upon consultation with Counsel to the Authority and Disclosure Counsel and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Final Official Statement by the Authority.

The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Bonds.

7. The Board hereby approves the revised Funding Agreements in the respective forms on file with the Secretary, which approval, however, does not include the Canceled County Funding Agreement. The Authorized Officer, each acting alone, are hereby authorized and directed to execute and deliver the revised Funding Agreements (other than the Canceled County Funding Agreement) for and in the name and on behalf of the Authority in such forms, together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, upon consultation with Bond Counsel and the Counsel to the Authority, such approval to be conclusively evidenced by the execution and delivery by an Authorized Officer of the Funding Agreements. The Board hereby authorizes the delivery and performance of the Funding Agreements (other than the Canceled County Funding Agreement).

Notwithstanding the provisions of Section 2 of Resolution No. 20-02, the allocation of Bond Proceeds available to fund the Building Removal Costs are hereby revised as follows: City of Marina, 52.25%; Transportation Agency for Monterey County, 7.00%; Marina Coast Water District, 5.25%; Monterey-Salinas Transit District, 1.00%; and City of Seaside, 34.50%, as set forth in the revised Funding Agreements.

8. The Continuing Disclosure Certificate (the "Disclosure Agreement"), in the form attached as an Appendix to the Preliminary Official Statement, is hereby approved. The Executive Officer is hereby authorized and directed to execute and deliver the Disclosure Agreement in said form, which such additions thereto or changes therein as are recommended or approved by such officer upon consultation with Disclosure Counsel and Counsel to the Authority, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Disclosure Agreement by the Executive Officer.

9. The designation of the law firm of Quint & Thimmig LLP as Bond Counsel and Disclosure Counsel to the Authority in connection with the issuance, sale and delivery of the Bonds, as set forth in Section 8 of Resolution No. 19-13, is hereby affirmed. The Executive Officer is hereby authorized to enter into an agreement with said firm for its services, in the form on file with the Secretary, it being hereby acknowledged that the compensation for such firm is fully contingent upon the successful issuance of the Bonds.

10. The Authorized Officers, and any and all other officers and employees of the Authority, are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful sale and issuance of the Bonds. In furtherance of the foregoing, the Executive Officer is hereby authorized to approve modifications to the documents approved by this Resolution to accommodate Bond Insurance and/or the Reserve Policy for the Bonds if, upon the advice of the Underwriters and the Municipal Advisor to the Authority for the Bonds, such Bond Insurance and/or Reserve Policy are advantageous to the Authority in the circumstances.

11. Except as may be modified pursuant to this Resolution, the provisions of the Prior Resolutions are hereby affirmed.

12. This Resolution shall take effect from and after the date of its passage and adoption.

Upon motion by _____, seconded by _____, the foregoing Resolution was passed on this 22nd day of May, 2020, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Jane Parker, Chair

ATTEST:

Joshua Metz, Secretary

06006.05:J16852
5/18/20

INDENTURE OF TRUST

by and among the

FORT ORD REUSE AUTHORITY,

CITY OF MARINA, CALIFORNIA,

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Dated as of June 1, 2020

Relating to:

\$_____

**Fort Ord Reuse Authority
Tax Allocation Bonds, Series 2020
(Federally Taxable)**

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EXHIBIT A FORM OF BOND
EXHIBIT B BUILDING REMOVAL PARCELS

INDENTURE OF TRUST

This INDENTURE OF TRUST (this "Indenture"), dated as of June 1, 2020, is by and among the FORT ORD REUSE AUTHORITY, a public entity duly existing under the laws of the State of California (the "Authority"), the CITY OF MARINA, CALIFORNIA, a municipal corporation (the "Administrator") and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

RECITALS:

WHEREAS, the Authority is a public corporation of the State of California duly formed and presently existing and exercising its powers pursuant to the Fort Ord Reuse Authority Act, constituting Title 7.85 (commencing with Section 67650) of the California Government Code (the "Fort Ord Reuse Authority Act"); and

WHEREAS, the Authority is authorized by Section 67679(d)(9) of the California Government Code to issue bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Section 6584 et seq. of the California Government Code (the "Marks-Roos Act") to finance its programs and obligations, including Building Removal (as defined below) activities and any otherwise unfunded liability to CalPERS (the "CalPERS Obligation"), as more fully described below; and

WHEREAS, the Authority is authorized pursuant to Section 6592(a) of the Marks-Roos Act to pledge to payment of its bonds any moneys of the Authority, including without limitation the portion of certain property tax revenues allocated to the Authority pursuant to California Health and Safety Code Section 33492.71(c)(1)(A) and (D), as applicable; and

WHEREAS, in order to finance costs of Building Removal and the CalPERS Obligation, the Authority desires to issue its Ford Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds"); and

WHEREAS, the Building Removal is with respect to property described in Exhibit B to this Indenture, which property is located within the boundaries of the County of Monterey, California (the "County"), and within the boundaries as the former Fort Ord Military Base; and

WHEREAS, on December 10, 2019, the Board of Supervisors of the County held a duly noticed public hearing regarding the issuance of the Bonds in accordance with Section 6586.5 of the Marks-Roos Act; and

WHEREAS, following such public hearing, the Board of Supervisors of the County adopted Resolution No. 19-412 pursuant to which it found and determined that the Authority's issuance of the Bonds will result in significant public benefits of the type described in Section 6586(a) through (d), inclusive, of the Marks-Roos Act; and

WHEREAS, pursuant to Government Code Section 67700, the Authority will be dissolved on and as of June 30, 2020; and

WHEREAS, the Bonds will be payable from Pledged Tax Revenues (as defined herein); and

WHEREAS, the Authority has submitted to the County, and the County has acknowledged, certain Irrevocable Instructions (as defined herein) pursuant to which the County will transfer Pledged Tax Revenues directly to the Trustee, on behalf of the Authority, to ensure that scheduled principal and interest payments and other amounts due on the Bonds, as well as administrative expenses incurred in connection with the administration of this Indenture and the Bonds, are paid when due both prior to and following the dissolution of the Authority; and

WHEREAS, pursuant to California Government Code Section 67675 the Authority has prepared and adopted the Fort Ord Reuse Plan; and

WHEREAS, pursuant to California Government Code Section 67679, the Authority has designated certain basewide public capital improvements to be planned, designed, constructed, repaired, remodeled, or replaced, and financed by the Authority in the Fort Ord Reuse Plan, specifically including the demolition, removal, repair and remediation of buildings and building sites located at certain parcels within the boundaries of the former Fort Ord Military Base (as more fully defined herein, "Building Removal"); and

WHEREAS, pursuant to California Government Code Section 67679 and the Fort Ord Reuse Plan, the Authority has determined that Building Removal constitutes the improvement of basewide capital facilities to be performed by the Authority as set forth in the Fort Ord Reuse Plan; and

WHEREAS pursuant to California Government Code Section 67679(a)(i) the Authority may conduct the Building Removal, or may delegate any of its powers related thereto to one or more of its member agencies; and

WHEREAS, the Cities of Marina and Seaside desire to use proceeds of the Bonds to pay for the costs of the Building Removal ("Building Removal Costs") and also desire that a portion of the proceeds of the Bonds be used by the Transportation Agency of Monterey County, Marina Coast Water District and Monterey-Salinas Transit District to pay for Building Removal Costs; and

WHEREAS, each of the Cities of Seaside and Marina, the Transportation Agency of Monterey County, the Marina Coast Water District and Monterey-Salinas Transit District (collectively, the "Local Agencies" and each a "Local Agency") have each entered into a Building Removal Funding Agreement, each dated as of June 1, 2020 (collectively, the "Funding Agreements") with the Authority and the Administrator, whereby they have each agreed to use Bond proceeds deposited into each such Local Agency's designated account provided for herein and thereafter transferred to the respective Local Agency for Building Removal Costs, which

Funding Agreements were approved by Resolution No. 20-02 adopted by the Board of Directors on April 30, 2020; and

WHEREAS on December 13, 2019, at a regular meeting of the Board of Directors of the Authority, the Governing Body adopted Resolution No. 19-13 authorizing the issuance of the Bonds and the execution and delivery of this Indenture, as well as the filing of judicial validation proceedings under Section 860 et. Seq. of the California Code of Civil Procedure related to the Bonds, this Indenture and the Pledged Tax Revenues (the "Validation Action"); and

WHEREAS on March 12, 2020, the Superior Court of the State of California, County of Monterey, rendered a judgement in the Validation Action in favor of the Authority with respect to the matters that were the subject of the Validation Action; and

WHEREAS, on May 22, 2020, the Board of Directors of the Authority adopted Resolution No. 20-____, approving a revised version of this Indenture and revised Funding Agreements in light of circumstances that had changed since the adoption of Resolution Nos. 19-13 and 20-02, and approved certain documents related to the administration, sale and issuance of the Bonds; and

WHEREAS, the Administrator is entering into this Indenture solely to perform certain administrative functions as specified herein with respect to the Bonds following the dissolution of the Authority; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and interest thereon, the Authority, the Administrator and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Authority has determined that all acts and proceedings required by law necessary to make the Bonds when executed by the Authority, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a legal, 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 :

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

hereby acknowledged, the Authority, the Administrator 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

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Authority has reviewed all proceedings heretofore taken and, as a result of such review, 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 Authority is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Administrative Expense Account” means the account by that name established in the Debt Service Fund in accordance with Section 4.02(d) hereof.

“Administrative Expenses” means the following actual or reasonably estimated costs directly related to the administration of this Indenture and the Bonds: fees and costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under this Indenture; any fees or expenses of the County (including its legal counsel) under or in connection with the Irrevocable Instructions; any [Policy Costs] (other than in respect of the reimbursement of draws under the Reserve Policy); the costs incurred by the Authority or the Administrator to comply with or implement any provision of this Indenture, the Continuing Disclosure Certificate or any provision of the Marks-Roos Act or the Fort Ord Reuse Authority Act relating to the Bonds or the payment thereof; costs related to the release of funds from the Escrow Fund; an allocable share of the salaries of Authority and Administrator staff related to the foregoing and a proportionate amount of Authority or Administrator general administrative overhead related thereto.

“Administrator” means the City of Marina, California, in its capacity as Administrator under this Indenture.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (b) the principal or sinking fund amount of the Outstanding Bonds payable by their terms in such Bond Year.

"Authority" means the Fort Ord Reuse Authority, a public corporation formed pursuant to the Fort Ord Reuse Authority Act, Title 7.85 of the California Government Code, commencing with Section 67650.

"Authorized Denomination" means \$5,000 or any integral multiple thereof.

"Authorized Officer" means, prior to the Dissolution Date, the Chair or the Executive Officer of the Authority and, after the Dissolution Date, the City Manager or the Finance Director of the City of Marina, California.

"Bond Counsel" means (a) Quint & Thimmig LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Authority, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes.

"Bond Year" means each twelve (12) month period extending from September 2 in one calendar year to September 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the Bonds shall commence on the Closing Date and end on September 1, 2020.

"Bonds" means the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) issued and Outstanding under this Indenture..

"Building Removal" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcels of property within the boundaries of the former Fort Ord listed on Exhibit B hereto.

"Building Removal Costs" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to remove blighted buildings from certain parcels of property within the boundaries of the former Fort Ord listed on Exhibit B.

"Business Day" means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

"CalPERS Obligation" means the amount owed by the Authority to CalPERS upon termination of the Authority's contract with CalPERS as in effect on the Dissolution Date related to the Authority's unfunded pension liability, that is in excess of the funds otherwise set aside by the Authority for that purpose.

“CalPERS Obligation Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.05.

“Closing Date” means June __, 2020, being the date upon which the Bonds are delivered by the Authority to the Original Purchasers thereof in exchange for the amount representing the purchase price of the Bonds by the Original Purchasers.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate, dated as of June 1, 2020, executed by the Authority and the Administrator, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Authority relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance and reserve policy premiums, if any, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, municipal advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the Authority and the Administrator incurred in connection with the issuance of the Bonds, expenses of the underwriters of the Bonds, the fees and expenses of counsel to the underwriters of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

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

“County” means the County of Monterey, California.

“County Auditor-Controller” means the Auditor-Controller of the County.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.02.

“Deemed Escrow Bonds” means, as of any date of determination, Escrow Term Bonds in a principal amount equal to the amount then on deposit in the Escrow Fund (not including any amounts on deposit in the Escrow Interest Account, and excluding any investment earnings allocable to the amount on deposit in the Escrow Fund and the Escrow Interest Account).

“Defeasance Obligations” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Authority’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction

from the Authority as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Authority's investment policies then in effect): (a) Cash; (b) non-callable, direct obligations of the United States of America; (c) securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America; and (d) other investments approved by the Insurer.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

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

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

"Dissolution Date" means June 30, 2020, the day on which the Authority will be dissolved.

"Escrow Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.06.

"Escrow Interest Account" means the account by that name within the Escrow Fund established pursuant to Section 3.06.

"Escrow Term Bonds" means the Term Bonds maturing on September 1, ____, indicated as such in Section 2.02.

"Escrow Termination Date" means _____ 1, ____.

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

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

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Authority to the Trustee in writing as its official fiscal year period.

“Fort Ord Reuse Authority Act” means the Fort Ord Reuse Authority Act, codified at Title 7.85 of the California Government Code, commencing with Section 67650, and the acts amendatory thereof and supplementary thereto.

“Funding Agreements” means, collectively, the five Building Removal Funding Agreements, each dated as of June 1, 2020, each among a Local Agency, the Authority and the Administrator.

“Indenture” means this Indenture of Trust by and among the Authority, the Administrator and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Administrator, and who, or each of whom: (a) is in fact independent and not under domination of the Authority or the Administrator; (b) does not have any substantial interest, direct or indirect, with the Authority or the Administrator; and (c) is not connected with the Authority or the Administrator as an officer or employee of the Authority or the Administrator, but who may be regularly retained to make reports to the Authority or the Administrator.

“Independent Fiscal Consultant” means any consultant or firm of such consultants appointed by the Administrator, and who, or each of whom: (a) is judged by the Administrator to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of redevelopment projects; (b) is in fact independent and not under domination of the Authority or the Administrator; (c) does not have any substantial interest, direct or indirect, with the Authority or the Administrator; and (d) is not connected with the Authority or the Administrator as an officer or employee of the Authority or the Administrator, but who may be regularly retained to make reports to the Authority or the Administrator.

“Information Services” means the Electronic Municipal Market Access System (referred to as “EMMA”), a facility of the Municipal Securities Rulemaking Board, (at <http://emma.msrb.org>); and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such services providing information with respect to called bonds as an Authorized Officer may designate in writing to the Trustee.

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

“Insurer” means _____.

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

"Interest Payment Date" means each March 1 and September 1, commencing September 1, 2020, for so long as any of the Bonds remain Outstanding hereunder.

"Irrevocable Instructions" means that certain Irrevocable Direction to Transfer of the Authority to, and acknowledged by, the County Auditor-Controller and the County Treasurer and Tax Collector and the Administrator, dated as of the Closing Date for the Bonds.

"Local Agency" and "Local Agencies" means, individually and collectively, the City of Marina, California, the City of Seaside, California, TAMC, MCWD and MST.

"Marina Bond Proceeds Account" means the account of that name established within the Project Fund.

"Marina Project Area No. 3" means the redevelopment project area by that name established by the former Marina Redevelopment Agency.

"Marks-Roos Act" means the Marks-Roos Local Bond Pooling Act of 1985, codified at Article 4 of Chapter 6 of Division 7 of Title 1 of the California Government Code, commencing with Section 6584, and the acts amendatory thereof and supplementary thereto.

"MCWD" means the Marina Coast Water District.

"MCWD Bond Proceeds Account" means the account of that name established within the Project Fund.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest amount for the current or any future Bond Year payable on the Bonds in such Bond Year. For purposes of such calculation, (i) the amount of interest on any Bonds that is payable from the proceeds of such Bonds that is set aside solely for such purpose shall not be included in the calculation of Maximum Annual Debt Service; and (ii) there also shall be excluded payments with respect to the Bonds to the extent that amounts due with respect to the Bonds are prepaid or otherwise discharged in accordance with this Indenture.

"MST" means Monterey-Salinas Transit District.

"MST Bond Proceeds Account" means the account of that name established within the Project Fund.

"Minimum Administrative Expense Requirement" means \$_____ per Fiscal Year.

"Moody's" means Moody's Investors Service and its successors.

"Nominee" means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

"Original Purchasers" means, collectively, Stifel Nicolaus & Company Incorporated and Citibank, N.A.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Authority pursuant hereto.

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

"Participating Underwriter" has the meaning given to such term in the Continuing Disclosure Certificate.

"Permitted Investments" means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Authority's investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Authority as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Authority's investment policies then in effect):

(a) Federal Securities;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the Authority itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the

Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the Authority itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAM or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2, including such funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services or for which the Trustee or an affiliate of the Trustee serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee;

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates), but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF, secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "A" or better by Moody's and "A" or better by S&P, or unconditionally guaranteed by an entity rated "A" or better by Moody's and "A" or better by S&P;

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

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

(j) Federal funds, money market deposits or bankers acceptances of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's, and "A-1+" or better by S&P; and

(k) The Local Authority Investment Fund that is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided that for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee.

"Pledged Tax Revenues" means all taxes attributable to the Seaside-Fort Ord Project Area and the Marina Project Area No. 3 that are allocated, or available to be allocated, to (a) the Authority pursuant to California Health and Safety Code Section 33492.71, subsection (c)(1)(A) or (b) the Administrator, as successor in interest to the Authority upon its dissolution, pursuant to California Health and Safety Code Section 33492.71, subsection (c)(1)(D), as applicable.

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

"Principal Corporate Trust Office" means the corporate trust office of the Trustee in San Francisco, California, or such other or additional offices as the Trustee may designate in writing to the Authority from time to time as the corporate trust office for purposes of the Indenture; except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term means the office of the Trustee at which, at any particular time, its corporate trust agency or corporate trust operations business is conducted.

"Project Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.04.

"Qualified Reserve Account Credit Instrument" means (i) the Reserve Policy, and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody's have assigned a long-term credit rating at the time of issuance of such Qualified Reserve Account Credit Instrument to such bank or insurance company of "A" (without regard to modifier) or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.02(a), 4.02(b) or 4.02(c) of this Indenture.

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

"Redemption Account" means the account by that name established and held by the Trustee pursuant to Section 4.02(e).

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

"Report" means a document in writing signed by an Independent Fiscal Consultant and including: (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates; (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and (c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.02(c).

"Reserve Policy" means the Municipal Bond Debt Service Reserve Insurance Policy issued by the Insurer for the Bonds.

"Reserve Requirement" means the lesser of (i) 125% of average Annual Debt Service, (ii) Maximum Annual Debt Service, or (iii) 10% of the original principal amount of the Bonds; provided, that the Authority may meet all or a portion of the Reserve Requirement by providing to the Trustee for deposit to the Reserve Account a Qualified Reserve Account Credit Instrument meeting the requirements of Section 4.02(c) hereof.

Notwithstanding the foregoing, in determining the Annual Debt Service and the Maximum Annual Debt Service for purposes of the Reserve Requirement, there shall be excluded any debt service on the Deemed Escrow Bonds.

“Reuse Plan” means the Fort Ord Reuse Plan prepared by the Authority, dated May 1996, as amended and supplemented from time to time.

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

“Seaside-Fort Ord Project” means the redevelopment project area by that name established by the former Redevelopment Agency of the City of Seaside.

“Seaside Bond Proceeds Account” means the account of that name established within the Project Fund.

“Securities Depositories” means The Depository Trust Company, New York, New York 10041-0099, Fax-(212) 855-7232; or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Written Request of the Authority delivered to the Trustee.

“Serial Bonds” means all Bonds other than Term Bonds.

“State” means the State of California.

“Supplemental Indenture” means any resolution, agreement or other instrument which has been duly adopted or entered into by the Authority and the Administrator (if prior to the Dissolution Date), or by the Administrator (after the Dissolution Date), but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

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

“TAMC” means the Transportation Agency for Monterey County.

“TAMC Bond Proceeds Account” means the account of that name established within the Project Fund.

“Term Bonds” means (i) the Bonds maturing on September 1, 20__ and September 1, 20__, payable from mandatory sinking account payments, and (ii) the Escrow Term Bonds payable from mandatory sinking account payments, amounts in the Escrow Interest Account and undisbursed amounts in the Escrow Fund to the extent provided in Section 3.06.

"Trustee" means U.S. Bank National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"Written Request of the Administrator" or "Written Certificate of the Administrator" means a request or certificate, in writing signed by the City Manager of the Administrator, or the designee of either, or by any other officer of the Administrator or the City duly authorized by the Administrator for that purpose.

"Written Request of the Authority" or "Written Certificate of the Authority" means a request or certificate, in writing signed by the Executive Officer or Treasurer of the Authority, or the designee of either, or by any other officer of the Authority duly authorized by the Authority for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

BOND AUTHORIZATION AND TERMS

Section 2.01. Authorization of the Bonds. The Bonds are hereby authorized to be issued by the Authority under and subject to the terms of this Indenture, the Marks-Roos Act and the Fort Ord Reuse Authority Act. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable)." The Bonds shall be issued in the initial aggregate principal amount of \$_____.

Section 2.02. Terms of the Bonds. The Bonds shall be issued in fully registered form without coupons. The Bonds shall be issued in Authorized Denominations, and no Bond shall have more than one maturity date. The Bonds shall be dated the Closing Date. The Bonds shall be lettered and numbered as the Trustee shall prescribe.

The Bonds shall mature on the dates, and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rates per annum, as follows:

Maturity Date (September 1)	Principal Amount	Interest Rate
	\$	%

* Indicates Term Bonds, other than the Escrow Term Bonds.

** Indicates the Escrow Term Bonds.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before August 15, 2020, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed on the 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; provided 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 in the United States as shall be specified in such written request. The principal of the Bonds is payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 2.03. Redemption of Bonds.

(a) No Optional Redemption. The Bonds are not subject to optional redemption prior to their respective maturities.

(b) Mandatory Sinking Fund Redemption. The Term Bonds maturing September 1, 20__ and September 1, 20__, and the Escrow Term Bonds, shall be subject to mandatory redemption in whole, or in part by lot, on September 1 in each year, commencing September 1, 20__, September 1, 20__ and September 1, 20__, respectively, as set forth below, from sinking fund payments made by the Authority to the Principal Account pursuant to Section 4.02(b), at a redemption price equal to 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 (i) in lieu of redemption thereof the Term Bonds (other than Escrow Term Bonds) may be purchased by the Authority pursuant to Section 2.03(h) hereof, and (ii) if some but not all of the Escrow Term Bonds have been redeemed pursuant to subsection (c) below, the total amount of all future sinking fund payments for the Escrow Term Bonds shall be reduced by the aggregate principal amount of such Escrow Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Administrator so as to maintain as much as practicable the same debt service profile for the Bonds as in effect prior to such redemption (notice of which determination shall be given by an Authorized Officer to the Trustee).

Term Bonds Maturing September 1, 20__

Redemption Date (September 1)	Principal Amount
_____	_____
	\$

Term Bonds Maturing September 1, 20__

Redemption Date (September 1)	Principal Amount
_____	_____
	\$

Escrow Term Bonds Maturing _____ 1, 20__

Redemption Date (September 1)	Principal Amount
_____	_____
	\$

(c) Mandatory Redemption of Escrow Term Bonds From Escrow Fund Transfer. The Escrow Term Bonds are subject to redemption on the Escrow Termination Date, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, from amounts transferred from the Escrow Fund to the Redemption Account pursuant to Section 3.06(E).

(d) Notice of Redemption. The Trustee on behalf and at the expense of the Administrator shall mail (by first class mail, postage prepaid) notice of any redemption at least twenty (20) (or

such longer period, up to thirty (30) days, as may be required by the Depository) but not more than sixty (60) days prior to the redemption date, (i) to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(e) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Administrator, a new Bond or Bonds of the same interest rate and maturity, of Authorized Denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(f) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Trustee, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

All Bonds redeemed and purchased by the Trustee pursuant to this Section shall be canceled by the Trustee. The Trustee shall destroy the canceled Bonds and, upon written request of the Administrator, issue a certificate of destruction thereof to the Administrator.

(g) Manner of Redemption. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection in such manner as the Trustee shall deem appropriate and shall notify the Administrator thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee shall assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so

selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed by the Trustee.

(h) Purchase in Lieu of Redemption. In lieu of redemption of the Term Bonds (other than Escrow Term Bonds) pursuant to the subsection (b) above, amounts on deposit in the Principal Account may also be used and withdrawn by the Trustee, upon the Written Request of the Administrator, for the purchase of such Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the Administrator may in its discretion determine. The par amount of any such Term Bonds so purchased by the Authority in any twelve-month period ending on July 15 in any year shall be credited towards and shall reduce the par amount of the Term Bonds required to be redeemed pursuant to subsection (e) on September 1 in each year; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said July 15.

Section 2.04. Form of Bonds. The Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds delivered on the Closing Date and at any time prior to the Dissolution Date shall be executed on behalf of the Authority by the signature of the Chair or the Executive Officer or the written designee of either of them and the signature of the Secretary of the Authority who are in office on the date of execution and delivery of this Indenture. Bonds executed on or after the Dissolution Date shall be executed on behalf of the Administrator by the signature of the Mayor or City Manager of the Administrator who are in office as of the date of execution thereof. Any of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Authority or the Administrator by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Authority or the Administrator, respectively, although on the date of such Bond any such person shall not have been such officer of the Authority or the Administrator.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the

same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Authority (prior to the Dissolution Date) or the Administrator (on or after the Dissolution Date) shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount of Authorized Denominations. The Trustee shall require the payment by the Owner of any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Administrator.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for Bonds of the same tenor and maturity and of other Authorized Denominations. The Trustee shall require the payment by the Owner of any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Administrator.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection and copying by the Administrator, upon reasonable prior notice to the Trustee; 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 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such Authorized Denominations as may be determined by the Authority, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority upon the same

conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds, it will execute and furnish definitive Bonds without delay and in any event prior to the Dissolution Date, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority (prior to the Dissolution Date) or the Administrator (after the Dissolution Date), at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity for the Trustee, the Authority and the Administrator satisfactory to the Trustee shall be given, the Administrator, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Authority). The Authority or the Administrator, as applicable, may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Authority or the Administrator, and the Trustee, in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority 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 pursuant to this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, none of the Authority, the Administrator or the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of

the immediately preceding sentence, none of the Authority, the Administrator or the Trustee shall have any 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 Bondowner 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 in the event the Administrator elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bondowner 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 Authority, the Administrator 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, premium 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 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 Bondowner shall receive a Bond evidencing the obligation of the Authority to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Authority 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 Authority shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds and provide a copy of such letter to the Trustee. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Authority, the Administrator or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bondowners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Trustee. In addition to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the Authority or the Administrator, as applicable, 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. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Administrator determines to terminate the Depository as such, then the Administrator shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Administrator 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 Administrator 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 of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(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.

ARTICLE III

DEPOSIT AND APPLICATION

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Authority shall execute and deliver to the Trustee the Bonds in the aggregate principal amount of \$_____, and the Trustee shall authenticate and deliver the Bonds upon the Written Request of the Authority.

Section 3.02. Application of Proceeds of Sale and Certain Other Amounts.

(a) On the Closing Date with respect to the Bonds, the net proceeds of sale of the Bonds, being \$_____ (calculated as the par amount thereof, less (plus) net original issue discount (premium) in the amount of \$_____, less the discount of the Original Purchasers in the amount of \$_____, and less the premiums for the Insurance Policy and the Reserve Policy in the amount of \$_____ paid by the Underwriters directly to the Insurer), shall be paid to the Trustee and applied as follows:

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

(ii) The Trustee shall deposit \$_____ in the CalPERS Obligation Fund.

(iii) The Trustee shall deposit \$_____ in the Marina Bond Proceeds Account of the Project Fund.

(iv) The Trustee shall deposit \$_____ in the MCWD Bond Proceeds Account of the Project Fund.

(v) The Trustee shall deposit \$_____ in the MST Bond Proceeds Account of the Project Fund.

(vi) The Trustee shall deposit \$_____, in the Seaside Bond Proceeds Account of the Project Fund.

(vii) The Trustee shall deposit \$_____ in the TAMC Bond Proceeds Account of the Project Fund.

(viii) The Trustee shall deposit \$_____ in the Administrative Expense Account.

(ix) The Trustee shall deposit \$_____ in the Escrow Fund and \$_____ in the Escrow Interest Account.

(b) The Trustee may establish a temporary account to facilitate the deposits referred to in Section 3.02(a).

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund," which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the Bonds, upon submission of a Written Request of the Authority (delivered to the Trustee prior to the Dissolution Date) or the Written Request of the Administrator (delivered to the Trustee on or after the Dissolution Date), stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six (6) months following the Closing Date with respect to the Bonds, or upon the earlier Written Request of the Administrator, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Administrative Expense Account and the Costs of Issuance Fund shall be closed.

Section 3.04. Project Fund.

(a) There shall be established a separate and segregated fund to be known as the Project Fund and within the Project Fund a Marina Bond Proceeds Account, a Seaside Bond Proceeds Account, a MCWD Bond Proceeds Account, a MST Bond Proceeds Account, and a TAMC Bond Proceeds Account, which fund and accounts shall be held by the Trustee. Amounts deposited to the Project Fund and the accounts therein shall be held by the Trustee in cash uninvested.

(b) On the Closing Date, the Trustee will remit the amount deposited in the respective Accounts of the Project Fund pursuant to Section 3.02(a)(iii) through (vii) to the applicable Local Agency as directed by the respective Local Agency, to be applied by the Local Agencies to the

payment of Building Removal Costs and of expenses incidental thereto pursuant to the Funding Agreements.

(c) Within two Business Days following the CalPERS Obligation Payment Date (as defined in Section 3.05), the Trustee shall deposit in the respective Accounts of the Project Fund the Excess Amount (as defined in Section 3.05) as follows: 52.25% to the Marina Bond Proceeds Account, 5.25% to the MCWD Bond Proceeds Account, 1.00% to the MST Bond Proceeds Account, 34.50% to the Seaside Bond Proceeds Account, and 7.00% to the TAMC Bond Proceeds Account. The Trustee shall then remit the amounts so deposited in the respective Accounts of the Project Fund to the applicable Local Agency as directed by the applicable Local Agency, to be applied by the Local Agencies to the payment of Building Removal Costs and of expenses incident thereto pursuant to the Funding Agreements.

(d) In making transfers pursuant to the foregoing Sections 3.04(b) and (c), the Trustee may conclusively rely upon the wire transfer instructions provided by the respective Local Agencies in making disbursements from the Project Fund to each Local Agency.

(e) It is hereby expressly understood and agreed that none of the Authority, the Administrator, the County or the Trustee shall be under any liability of any kind or character whatsoever with respect to the use by the Local Agencies of the amounts remitted to them pursuant to this Section 3.04, or the payment of any Building Removal Costs, and that any such Building Removal Costs shall be the responsibility of the applicable Local Agency.

Section 3.05. CalPERS Obligation Fund.

(a) There shall be established as a separate and segregated fund to be held by the Trustee the CalPERS Obligation Fund, to which a deposit shall be made on the Closing Date pursuant to Section 3.02(a)(ii).

(b) The amount deposited to the CalPERS Obligation Fund and any investment earnings thereon shall be disposed of as follows: (i) upon submission to the Trustee of a written certificate executed by an Authorized Officer specifying the CalPERS Obligation and the manner in which payment is to be made in respect thereof, the Trustee shall transfer such amount to CalPERS as specified in such written certificate, the date of such payment by the Trustee being referred to herein as the "CalPERS Obligation Payment Date;" and (ii) within two Business Days following the CalPERS Obligation Payment Date the Trustee shall transfer all remaining amounts in the CalPERS Obligation Fund (the "Excess Amount") to the Project Fund, with such Excess Amount to be allocated to and deposited in the Accounts within the Project Fund as described in Section 3.04(c). Following the transfers referred to in the preceding sentence, the CalPERS Obligation Fund shall be closed.

(c) Amount in the CalPERS Obligation Fund shall be invested as provided in Section 6.07. Investment earnings on amounts in the CalPERS Obligation Fund shall be retained in such fund to be used for the purposes of such fund.

Section 3.06. Escrow Fund.

(a) There is hereby established as a separate fund to be held by the Trustee, the Escrow Fund, to the credit of which a deposit shall be made as required by Section 3.02(a) (ix) hereof. There is also created within the Escrow Fund a separate Escrow Interest Account to be held by the Trustee, to the credit of which a deposit shall be made pursuant to Section 3.02(a)(ix). Moneys in the Escrow Fund and the Escrow Interest Account shall be held by the Trustee and, pending disbursement as hereinafter provided, shall be subject to a lien in favor of the Owners of the Escrow Term Bonds, and shall be administered as hereinafter provided.

(b) Disbursements.

(i) Escrow Fund Disbursements. The Trustee shall make disbursements from the Escrow Fund to the Marina Bond Proceeds Account of the Project Fund and the Reserve Account upon receipt of written certificate of an Authorized Officer stating that the requirements of Section 3.06(c) have been met as to all or a portion of the Escrow Term Bonds, together with the report and other information required by Section 3.06(c). Upon receipt of any such written certificate, the Trustee shall (A) deposit the amount specified therein as necessary to increase the amount in the Reserve Account to the amount of the Reserve Requirement in effect following such release of funds from the Escrow Fund (taking into account the amount then available to be drawn on the Reserve Policy), and (B) deposit the remaining amount of the requested disbursement to the Marina Bond Proceeds Account of the Project Fund, all as provided in Section 3.06(c). The transfers referred to in the preceding sentence shall only be made no more than annually, in each case on or about _____, and any written certificate requesting any such disbursements shall be presented to the Trustee by an Authorized Officer at least two Business Days (or such lesser number of days as agreed to by the Trustee) prior to the date for the transfer to be made.

(ii) Escrow Interest Account Disbursements. The Trustee shall transfer from the Escrow Interest Account to the Interest Account on the Business Day prior to each Interest Payment Date an amount equal to the interest payable on the Deemed Escrow Bonds on the immediately succeeding Interest Payment Date.

(iii) Other Disbursements. In addition to the foregoing, amounts shall be disbursed from the Escrow Fund and the Escrow Interest Account as provided in Section 3.06(d) and (e).

(c) Release Test. An Authorized Officer may file with the Trustee a written certificate accompanied by a written report of an Independent Fiscal Consultant which identifies (i) the amount proposed to be released from the Escrow Fund, (ii) the amount of Maximum Annual Debt Service which results from such release, and (iii) the amount of the Reserve Requirement which results from such release. Such report shall conclude that the amount of Adjusted Tax Revenues

which are identified in such written certificate are at least equal to 125% of the amount of Maximum Annual Debt Service identified in such report. Promptly following receipt of such certificate and report, the Trustee shall withdraw from the Escrow Fund the amount identified in such report and transfer such amounts as follows:

(A) the Trustee shall deposit into the Reserve Account an amount required to cause the balance therein to equal the amount of the Reserve Requirement identified in such report (taking into account any amount then available to be drawn on the Reserve Policy); and

(B) the Trustee shall transfer the remainder of such amount into the Marina Bond Proceeds Account and the Trustee shall promptly remit the amount deposited thereto to the City of Marina according to written wire transfer instructions of the City of Marina delivered to the Trustee upon which the Trustee may rely.

Notwithstanding the foregoing, no transfer pursuant to the foregoing provisions and the provisions of Section 3.06(b) shall be allowed in any Bond Year following a Bond Year where the actual receipts of Pledged Tax Revenues in that Bond Year did not exceed Maximum Annual Debt Service (determined without including debt service on the Deemed Escrow Bonds) by 25%.

For purposes of this Section 3.06(c) the following capitalized terms shall have the following meanings:

"Marina Pledged Tax Revenues" means, for any Bond Year, the amount of Pledged Tax Revenues from the Marina Project Area No. 3 for such Bond Year based on the assessed valuation of property in the Marina Project Area No. 3 as evidenced in a written document from an appropriate official of the County.

"Original Seaside Pledged Tax Revenues" means \$_____ of Pledged Tax Revenues from the Seaside Fort Ord Project Area [based on the projection in the Fiscal Consultant's Report to be included in an Appendix of the Official Statement for the Bonds for Fiscal Year 2020-21]. If the assessed valuation for the Seaside Fort Ord Project Area has declined since Fiscal Year 2020-21, the Independent Fiscal Consultant shall recalculate the Original Seaside Pledged Tax Revenues based on the latest assessed valuation for the Seaside Fort Ord Project Area.

"Adjusted Pledged Tax Revenues", means for any Bond Year the sum of (i) the Marina Pledged Tax Revenues, and (ii) the Original Seaside Pledged Tax Revenues.

(d) Moneys in the Escrow Fund and the Escrow Interest Account shall be invested and deposited in accordance with Section 6.07. Investment earnings and profits from such investment of amounts in the Escrow Fund and Escrow Interest Account shall be transferred by the Trustee to the Interest Account of the Debt Service Fund on the Business Day prior to each Interest Payment Date.

(e) Disbursements For Bond Redemption; Closing of Fund. On and after _____ 1, ____ (the "Escrow Close Date"), the Trustee shall make no further disbursements from the Escrow Fund pursuant to Section 3.06(b) and (c), and on _____ 1, ____ (the "Escrow Redemption Date") the Trustee shall transfer all amounts then on deposit in the Escrow Fund to the Redemption Fund, to be applied to the redemption of Escrow Term Bonds to the maximum extent possible on the Escrow Redemption Date, as provided in Section 2.03(c), and shall transfer all amounts then on deposit in the Escrow Interest Account to the Interest Account to be used to pay interest on the Escrow Bonds to be redeemed on the Escrow Redemption Date, with any funds not needed for such purpose deposited to the Interest Account.

(f) The Escrow Fund and the Escrow Interest Account shall be closed when no funds remain in such fund and account.

ARTICLE IV

SECURITY FOR THE BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as may otherwise be provided below and in Section 6.06, the Bonds shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues, and the Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The Escrow Term Bonds in an amount equal to the amount of the Deemed Escrow Term Bonds shall be additionally secured by amounts in the Escrow Fund and the Escrow Interest Account. Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Authority, the County or the Administrator shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

In the event the Administrator receives any moneys that constitute Pledged Tax Revenues, the Administrator shall promptly transfer to the Trustee such Pledged Tax Revenues for deposit by the Trustee in the Debt Service Fund. Prior to the payment in full of the principal of and interest on the Bonds and the payment in full of all other amounts payable hereunder, neither the Authority nor the Administrator shall have any beneficial right to or interest in the Pledged Tax Revenues, except as may be provided in this Indenture.

Amounts in the Project Fund (and the accounts therein), the CalPERS Obligation Fund and the Administrative Expense Account are not pledged to the repayment of the Bonds.

The Authority and the Administrator shall not be obligated to make any payments required hereunder or under any Bond, or be deemed to incur any liability hereunder or by reason hereof or arising out of any of the transactions contemplated hereby, payable from any funds or assets other than the Pledged Tax Revenues and amounts in the Debt Service Fund and the accounts

therein as provided in this Indenture. The Bonds and the obligation to pay principal of and interest thereon will not constitute an indebtedness or an obligation of the Authority, the officers of the Authority, the Administrator, any agency, any district, any city, the County, the State or any other political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be limited obligations of the Authority, payable solely from the Pledged Tax Revenues and amounts in the Debt Service Fund and the accounts therein duly pledged therefor. Neither the faith and credit nor the taxing power of the Authority, the Administrator, any agency, any district, any city, the County, the State or any political subdivision thereof is pledged to the payment of the Bonds.

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

Section 4.02. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, and within the Debt Service Fund a Principal Account, an Interest Account, a Reserve Account, an Administrative Expense Account, a Redemption Account and a Surplus Account, each which shall be held by the Trustee hereunder in trust. Pledged Tax Revenues received by the Trustee pursuant to the Irrevocable Instructions or otherwise shall be deposited by the Trustee in the Debt Service Fund. The Trustee shall transfer from the Debt Service Fund the following amounts, at the following times, to the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority:

(a) Interest Account. Not later than the fifth (5th) Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date of September 1, 2020 the Trustee shall deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. Not later than the fifth (5th) Business Day preceding September 1 in each year beginning September 1, 202__ the Trustee shall deposit in the

Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next September 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next September 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

(c) Reserve Account. In the event that the amount on deposit in the Reserve Account as of any Interest Payment Date is less than the then Reserve Requirement (taking into account the amount available to be drawn on the Reserve Policy), the Trustee shall transfer to the Reserve Account an amount sufficient to increase the amount in the Reserve Account to the then amount of the Reserve Requirement.

[The Reserve Requirement will be satisfied by the delivery of the Reserve Policy by the Insurer on the Closing Date with respect to the Bonds. Neither the Authority nor the Administrator will have any obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the Bonds are Outstanding, any rating assigned to the Insurer is downgraded, suspended or withdrawn or amounts are not available under the Reserve Policy other than in connection with a draw on the Reserve Policy. Notwithstanding anything to the contrary set forth herein the amounts available under the Reserve Policy 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, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the Bonds.]

The Trustee shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of this Section 4.02(c) and provide notice to the Insurer in accordance with the terms of the Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the Bonds.

If there shall then not be sufficient Pledged Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Authority shall be obligated to continue making transfers as Pledged Tax Revenues become available until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers hereunder to the Interest Account and the Principal Account, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as

the Authority (prior to the Dissolution Date) or the Administrator (after the Dissolution Date) is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before two (2) Business Days preceding each Interest Payment Date by the Trustee and deposited in the Surplus Account. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.02.

[With the prior written consent of the Insurer, the Administrator shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee a Qualified Reserve Account Credit Instrument. Upon tender of such items to the Trustee, and upon delivery by the Administrator to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Surplus Account to be applied in accordance with Section 4.02(f) hereof. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this paragraph (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Administrator shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first legally available Pledged Tax Revenues. If the Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, including the Reserve Policy, the cash shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.02(a) or 4.02(b) of this Indenture. If the Reserve Requirement is being maintained with two or more Qualified Reserve Account Credit Instruments, including the Reserve Policy, on which there is available coverage, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.02(a), 4.02(b) or 4.02(c) of this Indenture shall be pro-rata with respect to each such instrument after applying all cash and investments in the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regarding to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.]

(d) Administrative Expense Account. On the Closing Date, the Trustee shall make a deposit to the Administrative Expense Fund as required by Section 3.02(a)(viii).

Thereafter, on each September 1, following the deposits required by subsections (a), (b), and (if applicable) (c) of this Section 4.02 on such date, the Trustee shall transfer an amount equal to the Minimum Expense Requirement to the Administrative Expense Fund. Deposits may also be made to the Administrative Expense Fund as provided in Section 4.02(f).

Amounts in the Administrative Expense Account shall be withdrawn by the Trustee and paid to or as directed by the Administrator upon receipt by the Trustee of a Written Certificate of the Administrator stating the amount to be withdraw, that such amount is to be used to pay an Administrative Expense and the nature of such Administrative Expense.

(e) Redemption Account. On the date on which Bonds are to be redeemed pursuant to Section 2.03(c), the Trustee shall apply any amount transferred from the Escrow Fund to the Redemption Account pursuant to Section 3.06(e) to the redemption of Escrow Term Bonds pursuant to Section 2.03(c). All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Escrow Term Bonds to be redeemed pursuant to Section 2.03(c) on the date set for such redemption. Interest due on the Escrow Term Bonds to be redeemed on the date set for redemption shall be paid from funds available therefor in the Interest Account that were transferred from Escrow Interest Account.

(f) Surplus Account. On September 2 of each year, after making the deposits required under subsections (a) through (e) above on the preceding September 1, the Trustee shall transfer all amounts remaining on deposit in the Debt Service Fund to the Surplus Account. Any amounts transferred to the Surplus Account shall be disposed of by the Trustee as follows: (i) transfer to the Administrative Expense Account an amount determined by the Administrator as necessary to pay Administrative Expenses to the extent amounts in the Administrative Expense Account are not sufficient for such purpose as directed in a Written Request of the Administrator delivered to the Trustee by September 12 of each year; and (ii) promptly following the foregoing transfer to the Administrative Expense Fund, and in any event no later than 10 Business Days following the deposit of funds in the Surplus Fund each year, any remaining amount in the Surplus Fund shall be transferred by the Trustee, without further direction, to the County Auditor-Controller for redistribution by the County Auditor-Controller as provided in Section 33492.71(c)(1)(D) of the Health and Safety Code.

ARTICLE V

OTHER COVENANTS OF THE AUTHORITY AND THE ADMINISTRATOR

Section 5.01. Punctual Payment. The Administrator, on behalf of the Authority, shall punctually pay or cause to be paid the principal and interest to become due on the Bonds together with any premium thereon, if applicable, in strict conformity with the terms of the Bonds and of this Indenture, solely from the Pledged Tax Revenues and other amounts pledged to such

payments hereunder. The Authority shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture, all Supplemental Indentures and the Bonds.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Authority hereby covenants that, so long as the Bonds are Outstanding, the Authority shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues. Neither the Authority nor the Administrator will encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Bonds.

Section 5.03. Extension of Payment. Neither the Authority nor the Administrator will directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Authority or the Administrator, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Enforcement of Irrevocable Instructions. The Administrator, on behalf of the Authority, hereby covenants to take such actions within its power as may be reasonable and necessary to compel the County Auditor-Controller to comply with the direction set forth in the Irrevocable Instructions to transfer to the Trustee for deposit in the Debt Service Fund, all of the Pledged Tax Revenues in the amounts and at the times provided in the California Health and Safety Code and other applicable law.

Section 5.05. Payment of Claims. The Administrator, on behalf of the Authority, shall promptly pay and discharge from funds in the Administrative Expense Fund, 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 Pledged Tax Revenues or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Administrator to make any such payment so long as the Administrator in good faith shall contest the validity of said claims or if there are not sufficient funds in the Administrative Expense Fund to make such payment.

Section 5.06. Books and Accounts; Financial Statements. The Administrator, on behalf of the Authority, shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Administrator, in which complete and correct entries shall be made of all transactions relating to the Pledged Tax Revenues and the Administrative Expense Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

Section 5.07. Protection of Security and Rights of Owners. The Administrator, on behalf of the Authority, will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date with respect to the Bonds, the Bonds shall be incontestable by the Authority or the Administrator.

Section 5.08. Maintenance of Pledged Tax Revenues. The Authority (prior to the Dissolution Date) and the Administrator on behalf of the Authority (after the Dissolution Date) shall comply with all requirements of the California Health and Safety Code to ensure the allocation and payment to the Trustee of the Pledged Tax Revenues pursuant to the Irrevocable Instructions or otherwise. The Authority shall not undertake proceedings for amendment of the Reuse Plan or the Authority's transition plan if such amendment shall result in a reduction in the amount of Pledged Tax Revenues available to pay the Bonds.

Section 5.09. Continuing Disclosure. The Administrator hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Administrator to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.10. Further Assurances. The Authority and the Administrator, as applicable, will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver 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, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Administrator may remove the Trustee at any time, and shall remove the Trustee (i) if at any time requested to do so 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 Administrator has knowledge that the Trustee shall cease to be eligible in accordance with subsection (f) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Administrator to the Trustee, whereupon the Administrator 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 Administrator and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Administrator shall promptly appoint a successor Trustee by an instrument in writing, with notice of such appointment to be furnished to any Insurer.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Administrator 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, acknowledging and delivering to the Administrator and to its predecessor Trustee a written acceptance thereof, and thereupon 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 at the Written Request of the Administrator 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 Administrator shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Administrator shall cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

(e) If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 6.03(d) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; provided, however, that unless such Event of Default consists of the failure to make any payment on the Bonds when due, the Trustee shall, within thirty (30) days of the Trustee's knowledge thereof, give such notice to the Bondowners, provided that the Trustee may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Bondowners not to give such notice.

(f) The Authority and the Administrator agree that, so long as any Bonds are Outstanding, the Trustee shall be a financial institution having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution 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 (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (f) 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 Authority and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any 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.

(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 Owners of not less than 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 shall not be liable for any action taken by it 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. Where the Trustee is given the permissive right to do things enumerated in this Indenture, such right shall not be construed as a mandatory duty.

(d) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Administrator at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party 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 thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Administrator's certificates to establish the Administrator's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Pledged Tax Revenues into the Debt Service Fund.

(e) The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds or with respect to the observance or performance by the Authority or the Administrator of the other conditions, covenants and terms contained in this Indenture.

(f) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

(h) The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(i) Before taking any action under Article VIII or this Article at the request of the Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

(j) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Authority or the Administrator elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Authority or the Administrator, as applicable, agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(k) 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, pandemics or other similar occurrences.

(l) 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 and Opinions. The Trustee shall have no liability in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, facsimile transmission, electronic mail, or other paper or document reasonably believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Authority, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion

of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

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

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Authority or a Written Certificate of the Administrator, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such written certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Fiscal Consultant appointed by the Administrator.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of and copying by the Administrator and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Administrator shall pay to the Trustee from time to time, solely from amounts in the Administrative Expense Account, reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Authority and/or the Administrator, as applicable, and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a lien on the Pledged Tax Revenues and all funds and accounts held by the Trustee hereunder, subordinate to the lien of the Bondowners thereon, to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Administrator further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities including legal fees and expenses which it may incur to the extent arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, 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 Administrator and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

The Trustee's compensation and costs related to its indemnification under this Indenture shall constitute Administrative Expenses.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Administrative Expense Account, the Redemption Account, the Surplus Account, the CalPERS Obligation Fund, the Escrow Fund (including the Escrow Interest Account therein) and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Administrator in the Written Request of the Administrator filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (g) of the definition thereof. In the absence of any such Written Request of the Administrator, the Trustee shall invest any such moneys in Permitted Investments described in clause (d) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a Written Request of the Administrator specifying a specific money market fund and, if no such Written Request of the Administrator is so received, the Trustee shall hold such moneys uninvested. The Trustee shall be entitled to rely conclusively upon the written instructions of the Administrator directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be retained in the respective fund or account from which the investment was made. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Authority or otherwise made in accordance with this Section. For investment purposes only, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The Authority and the Administrator acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Administrator the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, the Authority and the Administrator specifically waive receipt of such confirmations to the extent permitted by law. The Authority and the Administrator further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker. The Trustee will furnish the Administrator monthly cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder. Upon the

Administrator's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account for earnings derived from funds that have been invested. Investments of funds on deposit in the Reserve Account shall be valued on August 1 of each year at their market value.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account maintained by the Trustee shall be available for inspection by the Administrator upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Administrator, on at least a monthly basis, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09. Other Transactions with Administrator. The Trustee, either as principal or agent, may engage in or be interested in any financial or other transaction with the Administrator.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Authority, the Administrator, the Trustee and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners to the extent permitted by law, but only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Authority, or of the Administrator for itself or on behalf of the Authority, in this Indenture contained, other covenants and agreements thereafter to be observed, including any covenant or agreement that provides for additional security for the Bonds, or to limit or surrender any rights or powers herein reserved to or conferred upon the Authority or the Administrator; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Administrator may deem necessary or desirable, provided

under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Administrator, materially adversely affect the interests of the Owners; or

(c) to comply with additional requirements of a provider of a Qualified Reserve Account Credit Instrument; provided that such amendment does not have an adverse impact on the Insurer's rights under the Indenture or the availability of Pledged Tax Revenues for the Bonds.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Authority, or of the Administrator for itself or on behalf of the Authority, and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the prior written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority, or of the Administrator on behalf of the Authority, to pay the principal and interest at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Insurer without its prior written consent.

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

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Administrator may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Administrator, as to such amendment or modification and in that case upon demand of the Administrator the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust 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 Administrator may determine that new Bonds shall be prepared at the expense of the Administrator and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Administrator, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and, provided further that written consent to such amendment shall first be obtained from any Insurer.

Section 7.05. Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under this Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under this Indenture and does not adversely affect the exclusion of interest on the Bonds issued as tax-exempt bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Section 7.06. Copy of Supplemental Indenture to S&P. The Trustee shall provide to S&P, for so long as S&P maintains a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least fifteen (15) days prior to its proposed effective date.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

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

(a) if default shall be made in the due and punctual payment of the principal of or interest on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Authority or the Administrator in the observance of any of the covenants, agreements or conditions on its respective part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Authority and the Administrator (prior to the Dissolution Date), or to the Administrator (from and after the Dissolution Date) of written notice from the Trustee or written notice from any Owner (with a copy of said notice delivered to the Trustee) of the occurrence of such default, provided that if in the reasonable opinion of the Administrator the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the Administrator within such thirty (30) day period and the Administrator thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the Authority or the Administrator files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United

States of America, or if a court of competent jurisdiction will approve a petition by the Administrator seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the Authority or the Administrator, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Authority or the Administrator or of the whole or any substantial part of its respective property.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Authority and the Administrator (if prior to the Dissolution Date) or the Administrator (from and after the Dissolution Date) confirmed in writing. With respect to any Event of Default described in subsections (a) or (c) above the Trustee shall, and with respect to any Event of Default described in subsection (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail.

If an Event of Default has occurred under this Section and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, the Trustee shall, subject to the provisions of Section 8.06, exercise any remedies available to the Trustee and the Bondowners in law or at equity, including mandamus.

Any Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the Authority, prior to the Dissolution Date, and the Administrator, from and after the Dissolution Date, and their respective officers, agents or employees to perform each of their respective covenants and agreements contained in this Indenture and in the Bonds, and to require the carrying out of any or all such covenants and agreements and the fulfillment of the respective duties specifically imposed upon them under this Indenture;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bondowners' rights; or

(c) upon the happening of any Event of Default, by suit, action or proceeding in any court of competent jurisdiction, to require the Authority, prior to the Dissolution Date, and the Administrator, from and after the Dissolution Date, and their respective employees to account as if they were the trustees of an express trust with regard to any of the Pledged Tax Revenues or any funds held in any of the funds and accounts under this Indenture.

Section 8.02. Application of Funds Upon Default. So long as an Event of Default has occurred and is continuing, all amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture (including any Pledged Tax

Revenues) and all sums in the funds and accounts established and held by the Trustee hereunder, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, advisors, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, as applicable, with interest on the overdue principal, and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Authority and the Administrator (prior to the Dissolution Date) or the Administrator (from and after the Dissolution Date), and 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 shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to

comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

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

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

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Authority, and the Administrator on behalf of the Authority, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged hereunder, the principal of and interest on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any 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 Owners and the Trustee by the Marks-Roos Act or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Authority, the Administrator, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes,

as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, provided, however, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. 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 Marks-Roos Act or any other law.

Section 8.08. Determination of Percentage of Bondowners. Whenever in this Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

ARTICLE IX

THE ADMINISTRATOR

Section 9.01. Duties, Immunities and Liabilities of Administrator. It is hereby acknowledged that the Administrator is entering into this Indenture solely as an accommodation to the Authority, the Trustee and the Bondowners in light of the dissolution of the Authority on the Dissolution Date. To that end, the Administrator shall be obligated to perform such duties and only such duties as are specifically set forth in this Indenture to be performed by it and no implied covenants, duties or obligations shall be read into this Indenture against the Administrator. Where the Administrator is given the permissive right to do things enumerated in this Indenture, such right shall not be construed as a mandatory duty.

Section 9.02. Liability of Administrator.

(a) The Administrator shall have no obligation to use any of its own funds (i) to make payments on the Bonds or to the Trustee in respect thereof, or (ii) to pay any costs or expenses of the Trustee, except from amounts in the Administrative Expense Account. The recitals of facts herein and in the Bonds contained shall be taken as statements of the Authority, and the Administrator shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds nor shall incur any responsibility in respect thereof. The Administrator shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or misconduct.

(b) The Administrator shall not be liable for any action taken by it 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 misconduct of the Administrator.

(c) The Administrator shall not be deemed to have knowledge of any Event of Default hereunder unless and until it shall have received written notice thereof from the Trustee or an owner of the Bonds. In the absence of such actual knowledge or notice, the Administrator may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Administrator shall not be bound to ascertain or inquire as to the performance or observance by any other party 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 any default thereunder.

(d) No provision of this Indenture shall require the Administrator to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if amounts in the Administrative Expense Account are not available for that purpose. Nonetheless, the Administrator shall be entitled to interest on any amounts voluntarily advanced by it from its own funds at the maximum rate permitted by law.

(e) The Administrator shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(f) The Administrator 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 Administrator 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.

(g) The Administrator shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys which are transferred to Local Agencies in accordance with the provisions hereof.

Section 9.03. Right to Rely on Documents and Opinions. The Administrator shall have no liability in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, facsimile transmission, electronic mail, or other paper or document reasonably believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Administrator may consult with counsel, including, without limitation, counsel of or to the Authority, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Administrator, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Administrator hereunder in accordance therewith.

Section 9.04. Compensation and Indemnification. The Administrator shall be entitled to reasonable compensation for all services rendered under this Indenture and also payment or reimbursement of all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Indenture. All such compensation and payment or reimbursements shall be Administrative Expenses payable from amounts in the Administrative Expense Account. The Administrator shall have a lien on the Pledged Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Administrator of all costs and expenses, including reasonable compensation to its attorneys, subordinate to the lien thereon for the benefit of the Bondowners and the Trustee.

ARTICLE X

MISCELLANEOUS

Section 10.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Authority, the Administrator, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Trustee, the Administrator and the Owners. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Administrator shall be for the sole and exclusive benefit of the Trustee, the Authority and the Owners. To the extent that this Indenture confers upon or gives any Insurer any right, remedy or claim under or by reason of this Indenture, such Insurer is hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 10.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture any of the Authority, the Administrator 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 Authority, the Administrator or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.03. Discharge of Indenture.

(a) If the Administrator shall cause to be paid from the Pledged Tax Revenues or amounts in the funds and accounts created hereunder and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

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

(iii) by irrevocably depositing with the Trustee, in trust, or an escrow agent, in an irrevocable escrow, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with such other money as may be deposited with the Trustee plus the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal and interest) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(d) or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Administrator, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee, the Authority and the Administrator under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (A) the obligation of the Trustee to transfer and exchange Bonds hereunder, (B) the obligations of the Administrator under Section 6.06 hereof, and (C) the obligation of the Administrator to pay or cause to be paid to the Owners from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee all fees, expenses and costs of the Trustee. In the event the Administrator shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Administrator all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Administrator has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Administrator and applied by the Administrator consistent with the Fort Ord Reuse Authority Act and the Marks-Roos Act, as applicable.

Section 10.04. 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 such Owner's attorneys appointed in writing.

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

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

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Authority, the Administrator or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Authority or the Administrator unless the Authority or the Administrator is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 10.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Authority or the Administrator (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Upon request of the Trustee, the Authority and the Administrator shall specify in a Written Certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such Certificate.

Section 10.06. Waiver of Personal Liability. No member, Councilmember, officer, agent or employee of the Authority or the Administrator shall be individually or personally liable for the payment of the principal or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, Councilmember, officer, agent or employee from the performance of any official duty provided by law.

Section 10.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and provide the Authority a certificate of destruction. The Administrator shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 10.08. Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by facsimile, addressed as follows:

If to the Authority:	Fort Ord Reuse Authority 920 2nd Avenue, Suite A Marina, California 93933 Attention: Executive Officer
If to the Administrator:	City of Marina 211 Hillcrest Avenue Marina, California 93933 Attention: City Manager
If to the Trustee:	U.S. Bank National Association One California Street, 10th Floor San Francisco, California 94111 Attention: Global Corporate Trust
If to the Insurer:	[To come]

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

Section 10.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Authority and the Administrator hereby declare that they would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and the Authority would have authorized the issuance of the Bonds 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. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the person serving as the chief financial officer of the Administrator in trust for the benefit of the Owners. The Administrator covenants for the direct benefit of the Owners that the person serving as its chief financial officer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 10.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become

payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Administrator free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondowners shall look only to the Administrator for the payment of the principal of and interest on of such Bonds.

Section 10.11. 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 10.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State applicable to contracts made and performed in the State.

ARTICLE XI

INSURANCE POLICY AND RESERVE POLICY

Section 11.01. Provisions Relating to the Insurance Policy. [To come]

Section 11.02. Provisions Relating to the Reserve Policy. [To come]

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IN WITNESS WHEREOF, the FORT ORD REUSE AUTHORITY has caused this Indenture to be signed in its name by its Executive Officer, the CITY OF MARINA, CALIFORNIA has caused this Indenture to be signed in its name by its City Manager, and U.S. BANK NATIONAL ASSOCIATION, 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.

FORT ORD REUSE AUTHORITY

By: _____

Joshua Metz,
Executive Officer

CITY OF MARINA, CALIFORNIA

By: _____

Layne Long,
City Manager

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____

Authorized Officer

06006.05:J16759

EXHIBIT A

FORM OF BOND

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

R-_____

\$_____

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF MONTEREY**

**FORT ORD REUSE AUTHORITY
TAX ALLOCATION BOND,
SERIES 2020 (FEDERALLY TAXABLE)**

INTEREST RATE: _____ MATURITY DATE: _____ DATED DATE: _____ CUSIP: _____
June __, 2020

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The FORT ORD REUSE AUTHORITY, a public entity duly existing under and by virtue of the laws of the State of California (the "Authority"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before August 15, 2020, in which event it shall bear interest from the Dated Date 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 has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on March 1 and September 1 in each year, commencing September 1, 2020 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon surrender of this Bond at the corporate trust office of U.S. Bank National Association, as trustee (the "Trustee"), in Saint Paul, Minnesota, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Authority designated as "Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable)" (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 series, numbers, maturities, interest rates, or redemption and other provisions) and all issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, codified at Article 4 of Chapter 6 of Division 7 of Title 1 of the California Government Code (the "Marks-Roos Act") and the Fort Ord Reuse Authority Act, codified at Title 7.85 of the California Government Code (the "Fort Ord Reuse Authority Act"), and pursuant to an Indenture of Trust, dated as of June 1, 2020, entered into by and among the Authority, the City of Marina, California, as Administrator (the "Administrator") and the Trustee (the "Indenture"), providing for the issuance of the Bonds. The Bonds are being issued in the form of registered Bonds without coupons. Reference is hereby made to the Indenture (copies of which are on file at the office of the Trustee) and all indentures supplemental thereto, to the Marks-Roos Act and to the Fort Ord Reuse Authority Act, for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Authority and the Administrator thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms used and not otherwise defined herein have the meanings given them in the Indenture.

The Bonds are limited obligations of the Authority and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues.

There has been created the Debt Service Fund (as defined in the Indenture), which will be maintained by the Trustee, into which Pledged Tax Revenues shall be deposited for payment, when due, of the principal of and the interest on the Bonds. As and to the extent set forth in the Indenture, all such Pledged Tax Revenues and the moneys in the Debt Service Fund, except the Administrative Expense Account and the Surplus Account therein, are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture, the Marks-Roos Act and the California Health and Safety Code, for the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on, the Bonds. In addition, the Escrow Term Bonds are secured by amounts in the Escrow Fund and the Escrow Interest Account, as such capitalized terms are defined in the Indenture. Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Authority or the Administrator shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

The Bonds are not subject to optional redemption prior to their respective maturities.

The Term Bonds are subject to sinking fund payments prior to maturity as described in the Indenture, and the Escrow Term Bonds are subject to mandatory redemption on _____ 1, ____, in whole or in part, in each case at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium. As provided in the Indenture, notice of redemption shall be given by first class mail no less than twenty (20) (or such longer period, up to thirty (30) days, as may be required by the Depository) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other Authorized Denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any Authorized Denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bond selected for redemption.

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

The rights and obligations of the Authority, the Administrator, the Trustee and the registered 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 (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal and interest at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of any Insurer or the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

This Bond is not a debt, liability or obligation of any of the members, Councilmembers or officers of the Authority or the Administrator, any agency, any district, any city, the County of Monterey, the State of California, or any of its political subdivisions except the Authority, and no agency, district, or city, and none of said County, said State, nor any of its political subdivisions except the Authority is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged therefor under the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

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 and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Marks-Roos Act, the Fort Ord Reuse Authority Act, or any other laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Fort Ord Reuse Authority has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Officer and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

FORT ORD REUSE AUTHORITY

By: _____
Executive Officer

ATTEST:

Secretary

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

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

Authentication Date: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

[FORM OF STATEMENT OF INSURANCE]

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto

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

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s)

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

Dated: _____

Signatures Guaranteed:

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

Note: The signatures(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.

EXHIBIT B

BUILDING REMOVAL PARCELS

List of Building Removal Parcels by U.S Army Corps of Engineers ("Army") Parcel Number.

Jurisdiction	USACE Parcel Number	Description	Bond Account Owner
City of Marina	E4.1.1	Cypress Knolls	City of Marina
City of Marina	E4.1.2.1	Cypress Knolls	City of Marina
City of Marina	E4.1.2.2	Cypress Knolls	City of Marina
City of Marina	L5.9.1.1	Marina Radio Club	City of Marina
City of Marina	L5.4.2	Marina Park	City of Marina
City of Marina	L5.5.1	Marina Park	City of Marina
City of Marina	E2b.3.1.1	Marina Arts District	City of Marina
City of Marina	E2c.4.2.1	Commercial/Business Park	City of Marina
City of Marina	L5.5.1	PBC parcel 2nd Ave, across from CSBUB	City of Marina
City of Marina	L23.1.5	across from FORA on 11th street	City of Marina
City of Marina	E2d.3.2	Equestrian Center	City of Marina
City of Marina	L5.9.1.2	Equestrian Center	City of Marina
City of Marina	E2b.2.4	White Church across from VA/DOD clinic	City of Marina
City of Marina	L5.4.1	old pool, water city roller hockey	City of Marina
City of Marina	E2b.1.5	old fire station, 2nd ave.	City of Marina
City of Marina	L20.16.1	TAMC Transit Center	TAMC
City of Marina	L2.1	MST Transit Center	MST
City of Marina	L35.1	MCWD Storage	MCWD
City of Marina	Various	Any parcel that was within the boundaries of the former Fort Ord Military Base that is now located within the City of Marina	City of Marina
State Parks	S3.1.1	MCWD Wastewater Plant	MCWD
City of Seaside	L2.4.3.1	MST Storage	MST
City of Seaside	L32.4.1.1	Surplus II	City of Seaside
City of Seaside	L19.4	Surplus II	City of Seaside
City of Seaside	L15.1	Surplus II	City of Seaside
City of Seaside	F2.3.2	Main Gate	City of Seaside
City of Seaside	F2.3.3	GJMB Parcel	City of Seaside
City of Seaside	F5.2	National Guard	City of Seaside
City of Seaside	L23.5.1	Chartwell School	City of Seaside
City of Seaside	E18.1.3	Nurses Barracks	City of Seaside
City of Seaside	Various	Any parcel that was within the boundaries of the former Fort Ord Military Base that is now located within the City of Seaside	City of Seaside

\$ _____
**FORD ORD REUSE AUTHORITY
TAX ALLOCATION BONDS, SERIES 2020
(FEDERALLY TAXABLE)**

BOND PURCHASE AGREEMENT

_____, 2020

Ford Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, California 93933

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated, on behalf of itself and as representative (the “**Representative**”) of Citigroup Global Markets, Inc. (together with the Representative, the “**Underwriters**”), offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the Ford Ord Reuse Authority (the “**Authority**”), which will be binding upon the Authority and the Underwriters upon the acceptance hereof by the Authority. This offer is made subject to its acceptance by the Authority by execution of this Purchase Agreement and its delivery to the Underwriters on or before 5:00 p.m., California time, on the date hereof, or at such other later time as the Underwriters shall agree to in writing. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s length commercial transaction between the Authority and the Underwriters; (ii) in connection with such transaction, the Underwriters are acting solely as principals and not as agents or fiduciaries of the Authority; (iii) the Underwriters have not assumed a fiduciary responsibility in favor of the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Authority on other matters); and (iv) the Authority has consulted with its own legal and financial advisors to the extent it has deemed appropriate.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters hereby agree to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the \$_____ aggregate principal amount of the Ford Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable), at a purchase price equal to \$_____ (being the aggregate principal amount thereof, less an Underwriters’ discount of \$_____). In addition, on behalf of the Authority, from the purchase price of the Bonds, the Underwriters shall wire the amount of \$_____ to the Insurer (defined below) to pay the costs of the premiums for the Policy (defined below) and the Reserve Policy (defined below). The Bonds are to be purchased by the Underwriters from the Authority. Such

payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the “**Closing**.”

2. The Bonds and Related Documents. The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of, an Indenture of Trust, dated as of May 1, 2020 (the “**Indenture**”), by and among the Authority, the City of Marina (the “**Administrator**”) and U.S. Bank National Association, as trustee (the “**Trustee**”). The Bonds will be issued under the authority set forth in Section 67679(d)(9) of the Ford Ord Reuse Authority Act, Title 7.85, commencing with Section 67650, of the California Government Code (the “**FORA Act**”), and the Marks-Roos Local Bond Pooling Act of 1985, constituting Section 6584 et seq. of the California Government Code (the “**Marks-Roos Act**”) and a resolution of the Authority adopted on December 13, 2019 (the “**Authorizing Resolution**”). The Building Removal Fund Agreements (as defined below) were approved by a resolution of the Authority adopted on April 30, 2020 (the “**Building Removal Resolution**”). The Official Statement (as defined below) was approved by a resolution of the Authority adopted on May __, 2020 (the “**Authority OS Resolution**” and, together with the Authorizing Resolution, the Building Removal Resolution, the “**Authority Resolutions**”). The Bonds shall be as described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriters, is hereinafter called the “**Official Statement**”).

The Bonds are secured by a pledge of and lien on the Pledged Tax Revenues (defined in the Indenture), which generally consist of the portion of property tax revenues allocated to (a) the Authority pursuant to California Health and Safety Code Section 33492.71, subsection (c)(1)(A) or (b) the Administrator, as successor in interest to the Authority upon its dissolution, pursuant to California Health and Safety Code Section 33492.71, subsection (c)(1)(D).

The Bonds shall be insured under a municipal bond insurance policy (the “**Policy**”) from _____ (the “**Insurer**”). A debt service reserve insurance policy (the “**Reserve Policy**”) shall also be purchased from the Insurer for the Bonds.

The net proceeds of the Bonds will be used to finance the Building Removal Costs, as such term is defined in the Indenture, and as described in the Official Statement, pursuant to certain Building Removal Funding Agreements (each a “**Building Removal Funding Agreement**”) to be entered into separately among the Authority, the Administrator and each entity receiving proceeds of the Bonds, as applicable, to pay Building Removal Costs (each, a “**Funding Recipient**”).

The Authority and the Administrator will undertake pursuant to the provisions of a Continuing Disclosure Certificate, dated as of May 1, 2020 (the “**Disclosure Certificate**”) and executed by the Authority and the Administrator, to provide certain annual information and notices of the occurrence of certain enumerated events. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

The Indenture, the Continuing Disclosure Certificate, and this Purchase Agreement are sometimes collectively referred to herein as the “**Authority Legal Documents**.”

3. Offering. Except as otherwise disclosed and agreed to by the Authority, the Underwriters agree to make a bona fide public offering of the Bonds at the initial public offering price or prices set forth on the inside cover page of the Official Statement and in Exhibit A; provided,

however, that the Underwriters reserve the right to change such initial public offering prices as the Underwriters deem necessary or desirable, in their sole discretion, in connection with the marketing of the Bonds, and to sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices set forth in the Official Statement. A “bona fide public offering” shall include an offering to institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

4. Use and Preparation of Documents. The Authority has caused to be prepared and delivered to the Underwriters prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____, 2020, relating to the Bonds (the “**Preliminary Official Statement**”), which was approved by the Authority OS Resolution. The Authority ratifies, confirms and approves the use by the Underwriters prior to the date hereof of the Preliminary Official Statement. The Authority has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“**Rule 15c2-12**”), except for information permitted to be omitted therefrom by Rule 15c2-12. The Authority hereby agrees to deliver or cause to be delivered to the Underwriters, within seven (7) business days of the date hereof, but not less than one (1) business day prior to Closing, a sufficient number of copies of the final Official Statement relating to the Bonds, dated the date hereof, which includes all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Authority and the Underwriters to enable the Underwriters to distribute a single copy of each Official Statement to any potential customer of the Underwriters requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending 25 days after the End of the Underwriting Period (defined below). The Authority hereby approves of the use and distribution (including the electronic distribution) by the Underwriters of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds. The Authority shall have executed and delivered to the Underwriters a certification to such effect in the form attached hereto as Exhibit B. The Underwriters agree that they will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Official Statement.

5. Representations, Warranties and Agreements of the Authority. The Authority hereby represents, warrants and agrees as follows:

(a) The Authority is a public entity existing and exercising its powers under the laws of the State of California (the “**State**”), including the FORA Act.

(b) The Authority has full legal right, power and authority to enter into the Authority Legal Documents and carry out and consummate the transactions contemplated by the Authority Legal Documents.

(c) By all necessary official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Authority Legal Documents, the issuance of the Bonds, and the performance by the Authority of all transactions contemplated by the Authority Legal Documents; and the Authority Legal Documents will constitute legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, except as enforcement may

be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(d) The Authority is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Indenture) or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Authority Legal Documents, and compliance with the provisions on the Authority's part contained therein, will not conflict with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Authority or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Indenture.

(e) Except as described in or contemplated by the Official Statement, as of the date of the Closing, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, authority or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations under the Authority Legal Documents shall have been duly obtained.

(f) Between the date of this Purchase Agreement and the date of the Closing, the Authority will not, without the prior written consent of the Underwriters, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from Pledged Tax Revenues (as defined in the Indenture), nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Authority.

(g) To the best knowledge of the officer of the Authority executing this Purchase Agreement, after due inquiry, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government Authority, public board or body, pending or threatened against the Authority, affecting the existence of the Authority or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and delivery of the Indenture or the collection or allocation to the Authority or the Administrator (as applicable) of the Pledged Tax Revenues or contesting or affecting, as to the Authority or the Administrator, the validity or enforceability of the Authority Legal Documents, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Authority or the Administrator, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Authority or which might materially adversely affect the amount of, or the collection or allocation to the Authority or the Administrator of, the Pledged Tax Revenues; nor, to the best knowledge of the officer of the Authority executing this Purchase Agreement, is there any known basis for any such action, suit, proceeding, inquiry or

investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Authority of the Authority Legal Documents.

(h) As of the time of acceptance hereof and as of the date of the Closing, the Authority does not and will not have outstanding any indebtedness which indebtedness is secured by a pledge of or lien on the Pledged Tax Revenues.

(i) As of the date thereof and as of the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, or the Insurer, the Policy or the Reserve Policy).

(j) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer, the Policy or the Reserve Policy).

(k) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information herein, in the light of the circumstances under which it was presented, not misleading, the Authority will notify the Underwriters, and, if in the opinion of the Underwriters or the Authority, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriters, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days of the End of the Underwriting Period for the Bonds, the Authority will furnish such information with respect to itself as the Underwriters may from time to time reasonably request. As used herein, the term “**End of the Underwriting Period**” means the later of such time as: (i) the Authority delivers the Bonds to the Underwriters; or (ii) the Underwriters do not retain, directly or as members of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Underwriters gives notice to the contrary, the “End of the Underwriting Period” shall be the date of Closing.

(l) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (k) hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact required to be stated therein or necessary to make such information therein in the light of the circumstances under which it was presented, not misleading (except that this representation

does not include information relating to The Depository Trust Company or the book-entry-only system, or the Insurer, the Policy or the Reserve Policy).

(m) After the Closing, the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriters shall reasonably object in writing or which shall be disapproved of by counsel for the Underwriters.

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

(o) The Authority will apply the proceeds from the sale of the Bonds for the purposes specified in the Official Statement and the Building Removal Funding Agreements.

(p) The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is not a bond issuer whose arbitrage certifications may be relied upon.

(q) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters, at the expense of the Underwriters, as it may reasonably request in order to qualify the Bonds for offer and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriters may designate; provided, however, that the Authority will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(r) The Authority has not been subject to any continuing disclosure undertaking within the last five years.

(s) The default judgment dated March 12, 2020 (the “**Default Judgment**”) entered in favor of the Authority in connection with *Fort Ord Reuse Authority v. All Persons Interested, etc.*, Case No. 20CV000381 (the “**Validation Action**”) filed in the Superior County of California, County of Monterey, was duly entered, an appeal has not been filed, and the default judgment is in full force and effect.

(t) The building removal activities and other proposed uses of proceeds of the Bonds as contemplated by the Indenture and the Building Removal Funding Agreements constitute basewide public facilities within the meaning of Government Code Section 67679(d).

(u) The Administrator has been properly designated and appointed as the successor agency to the Authority for purposes of administering the Bonds, and all required approvals and consents to such designation and appointment have been obtained.

(v) No portion of the Pledged Tax Revenues is payable to the County, the Administrator, the City of Seaside, or any other taxing entity, prior to payment of debt service on the Bonds and other amounts payable under Sections 4.02(a), (b), (c), (d) and (e) of the Indenture.

6. Closing. At 8:00 A.M., California time, on May __, 2020, or on such other date as may be mutually agreed upon by the Authority and the Underwriters, the Authority will,

subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriters, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Quint & Thimmig, LLP, Larkspur, California (“**Bond Counsel**”), or such other place as shall have been mutually agreed upon by the Authority and the Underwriters, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriters in New York, New York, through the book-entry system of The Depository Trust Company (“**DTC**”). Unless the DTC Fast Automated Securities Transfer (“**FAST**”) is utilized, the Bonds will be made available for inspection by DTC at least one business day prior to the Closing.

7. Closing Conditions. The Underwriters have entered into this Purchase Agreement in reliance upon the representations and warranties of the Authority contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters’ obligation under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Authority of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriters shall receive, within seven (7) business days of the date hereof, but in no event less than 1 day prior to Closing, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) The representations and warranties of the Authority contained herein shall be true and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing, and the statements of the officers and other officials of the Authority and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof shall be accurate;

(c) At the time of the Closing, the Authority Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto and the Official Statement shall have been duly authorized, executed and delivered by the Authority, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Underwriters, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the governing body of the Authority as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Authority relating to the Official Statement and the Authority Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriters shall have received copies of each of the following documents:

(1) Bond Counsel Opinion. The approving opinion of Bond Counsel to the Authority, dated the date of the Closing and substantially in the form included as Appendix __ to the Official Statement;

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in form and substance acceptable to the Underwriters, and dated the date of the Closing, stating that the Underwriters may rely on the opinions of Bond Counsel described in paragraph (1) above as if such opinions were addressed to the Underwriters and to the following effect:

(i) the Purchase Agreement, the Continuing Disclosure Certificate, the Building Removal Funding Agreements and the Irrevocable Direction (as defined herein) have been duly executed and delivered by the Authority and (assuming due authorization, execution and delivery by and validity against the other parties thereto) constitute the valid and binding agreements of the Authority, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles;

(ii) the statements contained in the Official Statement under the captions ["THE BONDS,"] ["SECURITY FOR THE BONDS,"] ["VALIDATION,"] ["TAX MATTERS,"] and in Appendices __ and __ insofar as such statements expressly summarize certain provisions of the Indenture or the opinion of Bond Counsel, are accurate in all material respects; and

(iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

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

(i) the representations and warranties of the Authority contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing;

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

(iii) the Authority is not, in any material respect, in breach of or default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which would

have a material adverse impact on the Authority's ability to perform its obligations under the Authority Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument.

(4) Authority Counsel Opinion. An opinion of Kennedy, Archer & Griffen, Counsel to the Authority, dated the date of the Closing and addressed to the Underwriters, in form and substance acceptable to the Underwriters to the following effect:

(i) the Authority is a public entity duly organized and existing under the Constitution and laws of the State, with full right, power and authority to execute, deliver and perform its obligations under the Authority Legal Documents;

(ii) the Authority Resolutions were duly adopted at regular meetings of the Authority, called and held pursuant to law, with all public notice required by law and at which quorums were present and acting throughout; and the Authority Resolutions are in full force and effect and have not been modified amended or rescinded since their respective adoption date;

(iii) the Authority Legal Documents, the Preliminary Official Statement and the Official Statement have been duly authorized, executed and delivered (as applicable) by the Authority and, assuming due authorization, execution and delivery by the other parties thereto, the Authority Legal Documents constitute the valid, legal and binding obligations of the Authority enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors rights and by the application of equitable principles if equitable remedies are sought;

(iv) the execution and delivery of the Authority Legal Documents and the Official Statement and compliance with the provisions of the Authority Legal Documents, under the circumstances contemplated thereby, (1) do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound, and (2) do not and will not in any material respect constitute on the part of the Authority a violation, breach of or default under any existing law, regulation, court order or consent decree to which the Authority is subject;

(v) to the best of such counsel's knowledge, except as otherwise disclosed in the Official Statement, there is no litigation or proceeding, pending and served, or threatened, challenging the creation, organization or existence of the Authority, or the validity of the Bonds or the Authority Legal Documents or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or under which a determination adverse to the Authority would have a material adverse effect upon the financial condition or the revenues of the Authority, or which, in any manner, questions the right of the Authority to issue, sell and deliver the Bonds, to enter into the Authority Legal Documents or to use the Pledged Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Authority or the Administrator to receive the Pledged Tax Revenues or the authority of the Authority to pledge the Pledged Tax Revenues;

(vi) the Default Judgment entered in favor of the Authority in connection with the Validation Action was duly entered, an appeal has not been filed, and the default judgment is in full force and effect;

(vii) the Summons issued in connection with the Validation Action was properly served on the California Department of Finance within the time required by applicable laws and rules of court;

(viii) the building removal activities and other proposed uses of proceeds of the Bonds as contemplated by the Indenture and the Building Removal Funding Agreements constitute basewide public facilities within the meaning of Government Code Section 67679(d);

(ix) the Administrator has been properly designated and appointed as the successor agency to the Authority for purposes of administering the Bonds, and all required approvals and consents to such designation and appointment have been obtained; and

(x) based upon his or her participation as Authority Counsel in the preparation of the Preliminary Official Statement and the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement, Authority Counsel has no reason to believe that the information relating to the Authority, the Pledged Tax Revenues (excluding any financial or statistical data with respect thereto, and any information relating to The Depository Trust Company or the book-entry only system, or the Insurer, the Policy or the Surety Policy, all as to which no opinion is expressed) contained in the Preliminary Official Statement, as of its date and as of the date hereof and the Official Statement, as of its date and as of the date of the Closing, contains any untrue statement of a material fact or omitted or omits, respectively, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(5) Trustee's Certificate. A Certificate, dated the date of Closing, to the effect that:

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

(ii) the Trustee has full power, authority and legal right to comply with the terms of the Indenture and to perform its obligations stated therein; and

(iii) the Indenture has been duly authorized, executed and delivered by the Trustee and (assuming due authorization, execution and delivery by the other parties thereto) constitutes the legal, valid and binding obligation of the Trustee in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(6) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriters, to the effect that:

(i) The Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture;

(ii) The Indenture has been duly authorized, executed and delivered by the Trustee and Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought; and

(iii) Except as may be required under Blue Sky or other securities laws of any state, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture, or the consummation of the transactions contemplated by the Indenture.

(7) Authority Resolutions. A copy of each of the Authority Resolutions.

(8) Authority Board Certificate. A certificate of the Secretary of the Authority to the effect that the Authority Resolutions were validly adopted, remain in full force and effect, and have not been amended, rescinded or otherwise modified since their respective date of adoption.

(9) Authority Legal Documents. Fully executed copies of this Purchase Agreement and the other Authority Legal Documents.

(10) Validation Action. A copy of the Default Judgment entered in favor of the Authority in connection with the Validation Action.

(11) Irrevocable Direction. A copy of the Irrevocable Direction to Transfer Funds, dated the date of the Closing (the "**Irrevocable Direction**"), duly executed by the Authority, the Auditor-Controller of the County, the Treasurer-Tax Collector of the County and the Administrator.

(12) County Resolutions. A copy of the resolution of the County Board of Supervisors, adopted on December 10, 2019, making the finding of public benefit required by the Marks-Roos Act (the "**County Resolution**"), and on _____, 2020 approving the Building Removal Funding Agreement with respect to the County.

(13) County Certificates. A certificate of the County, dated the date of this Purchase Agreement, substantially in the form attached hereto as Exhibit C, as well as a closing certificate of the County dated the date of the Closing, in form and substance acceptable to the Underwriters, to the effect that the representations and warranties in the County's certificate are true and correct as of the date of the Closing.

(14) Opinion of County Counsel. An opinion of County Counsel, dated the date of the Closing and addressed to the Underwriters, to the effect that:

(i) the County has full power, authority and legal right to comply with the terms of the Building Removal Funding Agreement with respect to the County and the Irrevocable Direction and to perform its obligations stated therein; and

(ii) the Building Removal Funding Agreement with respect to the County and the Irrevocable Direction have been duly authorized, executed and delivered by the County and (assuming due authorization, execution and delivery by the other parties thereto) constitute the legal, valid and binding obligations of the County in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(15) City of Marina Certificates. A certificate of the City of Marina, dated the date of this Purchase Agreement, substantially in the form attached hereto as Exhibit D, as well as a closing certificate of the City of Marina, dated the date of the Closing, in form and substance acceptable to the Underwriters, to the effect that the representations and warranties in the City of Marina's certificate are true and correct as of the date of the Closing.

(16) Opinion of City of Marina City Attorney. An opinion of the City Attorney of the City of Marina, dated the date of the Closing and addressed to the Underwriters, to the effect that:

(i) the City of Marina has full power, authority and legal right to comply with the terms of the Indenture and to perform its obligations stated therein;

(ii) the Indenture has been duly authorized, executed and delivered by the City of Marina and (assuming due authorization, execution and delivery by the other parties thereto) constitutes the legal, valid and binding obligation of the City of Marina in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(17) City of Seaside Certificates. A certificate of the City of Seaside, dated the date of this Purchase Agreement, substantially in the form attached hereto as Exhibit E, as well as a closing certificate of the City of Seaside, in form and substance acceptable to the Underwriters, to the effect that the representations and warranties in the City of Seaside's certificate are true and correct as of the date of the Closing.

(18) Rating Letter. A letter from _____ ("____") to the effect that the Bonds have been assigned an insured rating of "____" and the Bonds have been assigned an underlying rating of "____," which ratings shall be in effect as of the date of the Closing.

(19) Disclosure Letter. A letter of Quint & Thimmig, LLP ("**Disclosure Counsel**"), dated the date of the Closing, addressed to the Underwriters, to the effect that, based upon its participation in the preparation of the Preliminary Official Statement and the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Preliminary Official Statement and the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement, as of its date and as of the date of this Purchase Agreement, and the Official Statement, as of the date of this

Purchase Agreement as of the date of the Closing (excluding therefrom the reports, financial and statistical data and forecasts therein and the information included in Appendices __ and __ thereto and information relating to The Depository Trust Company or the book-entry only system, or the Insurer, the Policy or the Reserve Policy, as to which no advice need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(20) Fiscal Consultant's Report. The Fiscal Consultant's Report (defined in the Official Statement) prepared by Economic & Planning Systems, Inc. (the "**Fiscal Consultant**") providing information with respect to the Project Areas and the Pledged Tax Revenues.

(21) Fiscal Consultant's Certificate. A certificate of the Fiscal Consultant dated the date of the Closing, addressed to the Authority and the Underwriters, in form and substance acceptable to the Underwriters, (i) certifying as to the accuracy of (A) the information contained in APPENDIX __—"FISCAL CONSULTANT'S REPORT", and the information in the Official Statement under the captions _____, (ii) consenting to the inclusion of such firm's Fiscal Consultant's Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date of the Closing which would materially alter any of the conclusions set forth in such report.

(22) Municipal Advisor Certificate. A certificate, dated the Closing Date, signed by a duly authorized official of NHA Advisors, LLC, in its capacity as municipal advisor to the Authority (in such capacity, the "**Municipal Advisor**") to the effect that, (A) in connection with its participation in the preparation of the Preliminary Official Statement and the Official Statement and without undertaking any independent investigation and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement, nothing has come to the attention of the Municipal Advisor that would lead it to believe that the statements and information contained in the Preliminary Official Statement as of the date thereof and as of the date of this Purchase Agreement or the Official Statement as of its date and as of the Closing Date contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

(23) Underwriters' Counsel Opinion. An opinion, dated the date of the Closing and addressed to the Underwriters, of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriters, in form and substance satisfactory to the Underwriters.

(24) Bond Insurance Policy. The executed Policy of the Insurer insuring the scheduled payment of principal of and interest on the Insured Bonds, substantially in the form attached as Appendix __ to the Official Statement.

(25) Reserve Policy. The executed Reserve Policy issued by the Insurer.

(26) Insurer Counsel Opinion. An opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriters and the Authority in form and substance acceptable to the Underwriters, substantially to the effect that: (i) the Insurer has been duly incorporated and is validly existing and in good standing under the laws of the State of its incorporation; (ii) the Policy and Reserve Policy constitute legal, valid and binding obligations of the Insurer enforceable in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles; and (iii) the information contained in the Official Statement under the caption "BOND INSURANCE" does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(27) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Authority or the Underwriters may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

If the Authority or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, if the Authority shall determine in good faith (and provide written notice to the Underwriters) that legislation has been introduced or proposals made by the Governor of the State which if enacted and effective would prohibit the issuance of the Bonds, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriters shall be under no further obligation hereunder.

8. Termination. The Underwriters shall have the right to terminate the Underwriters' obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds by notifying the Authority of its election to do so if, after the execution hereof and prior to the Closing, any of the following events occurs:

(a) the market price or marketability of the Bonds, or the ability of the Underwriters to enforce contracts for the sale of the Bonds, shall be materially adversely affected by any of the following events:

(1) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect

to federal or state taxation upon interest received on obligations of the general character of the Bonds; or

(2) there shall have occurred (i) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(3) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission (the “SEC”) or any other governmental authority having jurisdiction; or

(4) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President’s Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Bonds, or the Authority Legal Documents, or any comparable securities of the Authority, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933 or the Trust Indenture Act of 1939 or otherwise, or would be in violation of any provision of the federal securities laws; or

(5) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Authority shall have occurred; or

(6) any rating on: (i) securities of the Authority which are secured by a pledge of the Pledged Revenues on a parity with the Bonds or (ii) the Insurer is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency; or

(b) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriters) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds; or

(c) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(d) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(e) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(f) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the date of the Closing, including the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939.

9. Expenses. The Authority will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Authority Legal Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Financial Advisor, Fiscal Consultant and any other experts or other consultants retained by the Authority; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters out-of-pocket expenses incurred with the financing; and (h) expenses (included in the expense component of the spread) incurred on behalf of the Authority's employees which are incidental to implementing this Purchase Agreement. The Underwriters will pay the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of counsel to the Underwriters. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Authority acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Authority agrees to reimburse the Underwriters for such fees.

The Underwriters shall pay, and the Authority shall be under no obligation to pay, all expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds.

10. Notices. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing at the Authority's address set forth above; Attention: Executive Officer, and to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to Stifel Nicolaus & Company,

Incorporated, One Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Eileen Gallagher.

11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Authority and the Underwriters and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Authority contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

12. Effectiveness and Counterpart Signatures. This Purchase Agreement shall become effective upon the execution of the acceptance by an authorized officer of the Authority and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

14. Governing Law. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____
Its: Authorized Officer

Accepted:

FORT ORD REUSE AUTHORITY

By: _____
Executive Officer

Time of Execution: _____ California Time

EXHIBIT A

\$ _____

**FORT ORD REUSE AUTHORITY
TAX ALLOCATION BONDS, SERIES 2020
(FEDERALLY TAXABLE)**

<i>Maturity Date</i> (_____ 1)	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
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[^C Priced to first optional redemption date of _____ 1, 20__, at ____.]

[^T Term Bonds.]

[REDEMPTION]

EXHIBIT B

\$ _____ *

**FORT ORD REUSE AUTHORITY
TAX ALLOCATION BONDS, SERIES 2020
(FEDERALLY TAXABLE)**

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that he is the Executive Officer of the Fort Ord Reuse Authority (the “**Authority**”), and, as such, is duly authorized to execute and deliver this certificate and further hereby certifies that:

(1) this certificate is being delivered in connection with the sale and issuance of the above-captioned obligations (the “**Bonds**”) in order to enable the underwriters of the Bonds to comply with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the “**Rule**”);

(2) in connection with the sale and issuance of the Bonds, there has been prepared a Preliminary Official Statement dated the date of this certificate setting forth information concerning the Bonds and the Authority (the “**Preliminary Official Statement**”); and

(3) except for the Permitted Omissions, the Preliminary Official Statement is deemed final within the meaning of the Rule. As used herein, the term “**Permitted Omissions**” refers to the offering price(s), interest rates(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all as set forth in the Rule.

Dated: _____, 2020

FORT ORD REUSE AUTHORITY

By: _____
Its: Executive Officer

* *Preliminary, subject to change.*

EXHIBIT C

**FORT ORD REUSE AUTHORITY
TAX ALLOCATION BONDS, SERIES 2020
(FEDERALLY TAXABLE)**

CERTIFICATE OF THE COUNTY OF MONTEREY

_____, 2020

In connection with the proposed offer and sale of the above-referenced bonds (the “Bonds”), the County of Monterey (the “County”) hereby represents, warrants and covenants to the Fort Ord Reuse Authority (the “Authority”), Stifel, Nicolaus & Company, Incorporated (“Stifel”), and Citigroup Global Markets, Inc., as underwriters of the Bonds (“Citigroup,” and, together with Stifel, the “Underwriters”), as follows:

A. The County is a county of the State of California duly organized and existing under the Constitution and laws of the State of California with full power, authority and legal right to comply with the terms of the Irrevocable Direction and to perform its obligations stated therein

B. The Irrevocable Direction has been duly authorized, executed and delivered by the County.

C. The County has validly adopted the County Public Benefit Resolution following a duly noticed public hearing and the County Public Benefit Resolution remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

D. The County has validly adopted the County Bond-Related Resolution and the County Bond-Related Resolution remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

E. County represents that the Irrevocable Direction states the duties of the Auditor-Controller and the Treasurer-Tax Collector under California Health & Safety Code Sections 33492.71(c)(1)(A) and (D), as confirmed by the Superior Court of the State of California for the County of Monterey in its Judgement of Validation in Case No. 20CV000381 issued on March 12, 2020. The County agrees to comply with the terms of the Irrevocable Direction.

F. Neither the County nor its officers, employees or staff will take any action to challenge the right of the Trustee to receive the Pledged Tax Revenues as contemplated by the Indenture.

The County expressly acknowledges that the Underwriters and the Authority shall rely on the representations, warranties and covenants set forth in this Certificate in connection with the purchase, sale and issuance of the Bonds.

Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement by and between the Authority and the Underwriters dated as of _____, 20__, relating to the Bonds.

COUNTY OF MONTEREY

By: _____
Chair of the Board of Supervisors

EXHIBIT D

**FORT ORD REUSE AUTHORITY
TAX ALLOCATION BONDS, SERIES 2020
(FEDERALLY TAXABLE)**

CERTIFICATE OF THE CITY OF MARINA

_____, 2020

In connection with the proposed offer and sale of the above-referenced bonds (the “Bonds”), the City of Marina (the “City”) hereby represents, warrants and covenants to the Fort Ord Reuse Authority (the “Authority”), Stifel, Nicolaus & Company, Incorporated (“Stifel”), and Citigroup Global Markets, Inc., as underwriters of the Bonds (“Citigroup,” and, together with Stifel, the “Underwriters”), as follows:

A. The City is a general law city of the State of California duly organized and existing under the laws of the State of California with full power, authority and legal right to comply with the terms of the Indenture and the Irrevocable Direction and to perform its obligations stated therein.

B. The Indenture and the Irrevocable Direction have been duly authorized, executed and delivered by the City.

C. The City certifies that neither the City nor the Successor Agency to the Redevelopment Agency of the City of Marina (the “Marina Successor Agency”) has any claim on the Pledged Tax Revenues (as such term is defined in the Indenture) prior to the payment of the debt service on the Bonds and other payments permitted or required by the Indenture.

E. The final maturity of the outstanding enforceable obligations of the Marina Successor Agency is no sooner than _____, 20___. The City will not, and will not permit the officers, employees or staff of the City to, accelerate payment of, prepay, or otherwise shorten the final maturity of the outstanding enforceable obligations of the Marina Successor Agency to a date sooner than _____, 20__.

F. The City will not, and will not permit the officers, employees and staff of the City to, take any action to challenge the right of the Authority or the Administrator (as applicable) to receive the Pledged Tax Revenues as contemplated by the Indenture.

G. The City has been properly designated and appointed as the successor agency to the Authority for purposes of administering the Bonds, and all required approvals and consents to such designation and appointment have been obtained from the City Council of the City.

The City expressly acknowledges that the Underwriters and the Authority shall rely on the representations, warranties and covenants set forth in this Certificate in connection with the purchase, sale and issuance of the Bonds. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement by and between the Authority and the Underwriters dated as of _____, 20___, relating to the Bonds.

CITY OF MARINA

By: _____
Its: _____

EXHIBIT E

**FORT ORD REUSE AUTHORITY
TAX ALLOCATION BONDS, SERIES 2020
(FEDERALLY TAXABLE)**

CERTIFICATE OF THE CITY OF SEASIDE

_____, 2020

In connection with the proposed offer and sale of the above-referenced bonds (the “Bonds”), the City of Seaside (the “City”) represents, warrants and covenants to the Fort Ord Reuse Authority (the “Authority”), Stifel, Nicolaus & Company, Incorporated (“Stifel”), and Citigroup Global Markets, Inc., as underwriters of the Bonds (“Citigroup,” and, together with Stifel, the “Underwriters”), as follows:

A. The City is a general law city of the State of California duly organized and existing under the laws of the State of California.

B. The City certifies neither the City nor the Successor Agency to the Redevelopment Agency of the City of Seaside (the “Seaside Successor Agency”) has any claim on the Pledged Tax Revenues (as such term is defined in the Indenture) prior to the payment of the debt service on the Bonds and other payments permitted or required by the Indenture.

C. The final maturity of the outstanding enforceable obligations of the Seaside Successor Agency is no sooner than _____, 20___. The City will not, and will not permit the officers, employees and staff of the City to, take any action to accelerate payment of, prepay, or otherwise shorten the final maturity of the outstanding enforceable obligations of the Seaside Successor Agency to a date sooner than _____, 20__.

D. The City will not, and will not permit the officers, employees and staff of the City to, take any action to challenge the right of the Authority or the Administrator (as applicable) to receive the Pledged Tax Revenues as contemplated by the Indenture.

The City expressly acknowledges that the Underwriters and the Authority shall rely on the representations, warranties and covenants set forth in this Certificate in connection with the purchase, sale and issuance of the Bonds. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement by and between the Authority and the Underwriters, dated as of _____, 20__, relating to the Bonds.

CITY OF SEASIDE

By: _____
Its: _____

BUILDING REMOVAL FUNDING AGREEMENT

between the

FORT ORD REUSE AUTHORITY,

and the

CITY OF MARINA, CALIFORNIA

Dated as of June 1, 2020

**Relating to:
Fort Ord Reuse Authority
Tax Allocation Bonds,
Series 2020
(Federally Taxable)**

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EXHIBIT A – BUILDING REMOVAL COSTS AND RELATED PARCELS

BUILDING REMOVAL FUNDING AGREEMENT

THIS BUILDING REMOVAL FUNDING AGREEMENT (the "Agreement"), dated as of June 1, 2020, is by and between the FORT ORD REUSE AUTHORITY (the "Authority") and the CITY OF MARINA, CALIFORNIA (the "Funding Recipient"), and is related to use by the Funding Recipient of proceeds of the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds").

RECITALS:

WHEREAS, the Authority is issuing the Bonds pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), by and among the Authority, the City of Marina, California, as Administrator and U.S. Bank National Association, as trustee (the "Trustee") in order to fund Building Removal Costs of Building Removal to be undertaken by the Local Agencies, as such capitalized terms are defined in the Indenture; and

WHEREAS, the Funding Recipient is one of the Local Agencies, and the Indenture provides for the deposit of a portion of the proceeds of the Bonds to a Marina Bond Proceeds Account of a Project Fund held by the Trustee on the date of issuance of the Bonds (the "Closing Date") as set forth in Section 3.02(a)(iii) of the Indenture, and to the Marina Bond Proceeds Account of the Project Fund held by the Trustee following the Closing Date (a) and payment of the CalPERS Obligation (as defined in the Indenture) as set forth in Section 3.04(c) of the Indenture, or (b) otherwise released from the Escrow Fund pursuant to Section 3.06 of the Indenture; and

WHEREAS, pursuant to Section 3.04(b) of the Indenture, the Trustee will remit the amount deposited in the Marina Bond Proceeds Account to the Funding Recipient on the Closing Date; and pursuant to Sections 3.04(c) and 3.06 of the Indenture, the Trustee will remit the amount deposited to the Marina Bond Proceeds Account pursuant to Sections 3.05 and 3.06 of the Indenture to the Funding Recipient promptly following the deposit of funds thereto, in each case to be used by the Funding Recipient as provided in this Agreement; and

WHEREAS, the Authority and the Funding Recipient now desire to set forth provisions related to the disposition by the Funding Recipient of the amount transferred to it by the Trustee on the Closing Date.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Recitals. Each of the above recitals as applicable to it is true and correct.

2. Issuance of the Bonds. The Authority hereby agrees to (a) issue the Bonds, (b) cause 52.25% of the proceeds of the Bonds available to be used by the Local Agencies (as defined in the Indenture) for Building Removal Costs pursuant to Sections 3.03(b) and (c) of the Indenture to be deposited to the Marina Bond Proceeds Account under the Indenture, and (c) cause the Trustee to remit the amount deposited to the Marina Bond Proceeds Account pursuant to Section 3.02 of the Indenture to the Funding Recipient on the Closing Date, and any amount deposited to the Marina Bond Proceeds Account (i) pursuant to Section 3.02(c) of the Indenture (constituting 52.25% of the funds released from the CalPERS Obligation Fund to the Local Agencies (after payment of the CalPERS Obligation) as defined in the Indenture) to be remitted to the Funding Recipient as provided in Section 3.02(c) of the Indenture, and (ii) pursuant to Section 3.06 of the Indenture (constituting 100% of the funds released from the Escrow Fund to the Marina Bond Proceeds Account to be remitted to the Funding Recipient as provided in Section 3.06 of the Indenture). Notwithstanding the foregoing, this Agreement shall be null and void ab initio if for any reason whatsoever the Authority does not perform its obligations under the preceding sentence prior to its dissolution, and no damages or liability whatsoever shall arise or be incurred by the Authority as a consequence of its failure to perform such obligations. In no event shall the Funding Recipient have a right to compel the issuance of the Bonds.

The Funding Recipient hereby advises that its wire transfer instructions for the transfer of funds provided for in clause (c) of the first sentence of the preceding paragraph will be provided by the Funding Recipient to the Authority, the Administrator and the Trustee prior to the Closing Date for the Bonds.

3. Use of Proceeds. The Funding Recipient hereby agrees to establish an account on its books and records (referred to in this Agreement as the "Building Removal Account") in order to account for its use of the proceeds of the Bonds remitted to it as described in clause (c) of the first sentence of Section 2. Amounts deposited to the Building Removal Account may be comingled with other monies of the Funding Recipient for investment purposes, but the Funding Recipient shall at all times maintain records as to the funds in the Building Removal Account and the investment earnings thereon as provided below.

The Funding Recipient agrees that amounts withdrawn from the Building Removal Account will be used solely to pay costs of the Building Removal Costs, as described in Exhibit A hereto then due and payable by the Funding Recipient, or that have otherwise theretofore been paid by the Funding Recipient after the date of this Agreement. In no event shall the Authority have any responsibility for the use by the Funding Recipient of amounts disbursed from the Building Removal Account, or any Building Removal activities of the Funding Recipient, or for any Building Removal Costs incurred by the Funding Recipient.

The Funding Recipient shall have the sole right to direct the investment of the amounts on deposit in the Building Removal Account. While the Funding Recipient shall have no obligation or liability with respect to any such investment, including any losses with respect thereto, any investment earnings on funds in the Building Removal Account shall be credited to such account and used solely for the purposes thereof as provided in this Section 3.

The Funding Recipient agrees to maintain accounting records relating to the use of amounts disbursed to or upon its order from the Building Removal Account in accordance with Funding Recipient's accounting procedures for similar funds.

In the event that the Funding Recipient determines in its sole discretion that it has funds in the Building Removal Account that it will not expend on Building Removal Costs, it shall remit such amount to the Trustee for deposit in the Surplus Account under the Indenture for disposition from the Surplus Account as provided in the Indenture.

The Authority shall not have any liability or responsibility whatsoever with respect to any Building Removal activities of the Funding Recipient or any Building Removal Costs or other costs incurred for any reason by the Funding Recipient. The Funding Recipient hereby agrees to hold the Authority harmless with respect to any claim by any entity in opposition to the provisions of the preceding sentence.

4. Reimbursement of Administrative Costs. The Funding Recipient hereby agrees to pay, other than from amounts in the Building Removal Account, any and all costs with respect to its review, execution and performance of this Agreement. The Authority shall not have any obligation to pay any costs of the Funding Recipient incurred by it in connection with this Agreement or the Building Removal activities of the Funding Recipient.

Costs of the Authority and the City, in its role of Administrator under the Indenture, with respect to this Agreement and the Indenture (a) incurred on or before the Closing Date, shall be Costs of Issuance to be paid from the Costs of Issuance Fund under the Indenture; (b) incurred from and after the Closing Date shall be Administrative Expenses to be paid from the Administrative Expense Fund under the Indenture (as such capitalized terms used in the preceding clauses (a) and (b) are defined in the Indenture); and the Funding Recipient shall have no responsibility to pay any such costs. The Funding Recipient shall have no responsibility to pay any costs of the Authority or the City, in its role as Administrator under the Indenture incurred by them with respect to the Indenture for the repayment or the administration of the Bonds.

5. Building Removal. The Funding Recipient shall have sole responsibility for all of its Building Removal activities..

6. Limited Obligations. All obligations of the Authority under and pursuant to this Agreement shall be limited to those specified in the first sentence of Section 2, subject in any event to the provisions of the second sentence of Section 2. No Boardmember, officer or employee of the Authority shall in any event be personally liable hereunder. Following any deposit of Bond proceeds in the Building Removal Account as provided in Section 3 above, the Authority shall have no liability with respect to the handling or the investment of such funds by the Funding Recipient, or the disposition of such funds by the Funding Recipient.

The only obligations of the Funding Recipient hereunder shall be to expend amounts in Building Removal Account for Building Removal Costs, and to maintain records as to the use of the amounts withdrawn from the Building Removal Account. If, for any reason whatsoever, there are insufficient funds in the Building Removal Account to pay all of the Building Removal Costs of the Funding Recipient, neither the Funding Recipient nor the Authority shall have any obligation under this Agreement to fund any such shortfall. No member of the City Council, or any officer or employee thereof, shall in any event be personally liable hereunder.

7. Termination. This Agreement shall cease to be effective and shall terminate (a) upon the dissolution of the Authority, if the Authority has not issued the Bonds prior to its dissolution, or (b) if not terminated pursuant to clause (a), upon the disbursement by the Funding Recipient of all amounts in the Building Removal Account. Notwithstanding the foregoing, the provisions of the fourth paragraph of Section 3 and the provisions of Section 6 shall survive such termination.

8. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

9. Notices. Any notice required or permitted by this Agreement to be given or delivered to another party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

The Authority:	Fort Ord Reuse Authority 920 2 nd Avenue, Suite A Marina, California 93933 Attention: Executive Officer
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Funding Recipient:	City of Marina 211 Hillcrest Avenue Marina, California 93933 Attention: City Manager
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Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

10. Exhibit. The exhibit attached hereto is incorporated into this Agreement by this reference.

11. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

12. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

13. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

14. No Third Party Beneficiaries. No person or entity (including but not limited to the Trustee or the owners of the Bonds) shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than Authority and Funding Recipient, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

15. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

16. Prepayment of Bonds. The Funding Recipient hereby agrees to use its best efforts to prevent the Successor Agency to the Marina Redevelopment Agency (the "Successor Agency") from redeeming such entities' outstanding bonds titled Successor Agency to the Marina Redevelopment Agency Tax Allocation Bonds, Series 2018A and Successor Agency to the Marina Redevelopment Agency Housing Tax Allocation Bonds, Series 2018B (collectively, the "2018 Bonds") prior to their final stated maturity date of September 1, 2038; provided that (a) the Successor Agency may redeem 2018 Bonds maturing on September 1, 2038 on September 1, 2037 using funds in the Reserve Account established for the 2018 Bonds; (b) this covenant shall not apply to bonds issued by the Successor Agency to (i) refund the 2018 Bonds ("2018 Refunding Bonds"), or (ii) refund 2018 Refunding Bonds or refund any subsequent series of refunding bonds related thereto, in each case that have a final stated maturity not earlier than September 1, 2038 and that have a funded Reserve Account that can only be used to redeem such refunding bonds no earlier than September 1, 2037; and (c) if the Successor Agency issues additional obligations (the "Additional Bonds") with a final maturity more than a year later that is then September 1, 2038, the September 1, 2038 and September 1, 2037 dates in the preceding clauses shall instead refer to the final maturity of such Additional Bonds and the date that is one year prior to such final maturity date, respectively. To that end, the Funding Recipient agrees to exercise any influence it may have over the Successor Agency or the consultants for the Successor Agency to avoid the early redemption or retirement of the 2018 Bonds or such Additional Bonds except as allowed pursuant to the preceding sentence. The provisions of this Section 16 shall survive any termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

FORT ORD REUSE AUTHORITY

By: _____

Joshua Metz,
Executive Director

CITY OF MARINA, CALIFORNIA

By: _____

Layne Long,
City Manager

06006.05:J16867

EXHIBIT A

BUILDING REMOVAL COSTS AND RELATED PARCELS

"Building Removal Costs" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to removed blighted buildings from certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

"Building Removal" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcels of property within the boundaries of the former Fort Ord listed below.

The parcels on which the Building Removal activities of the Funding Recipient may occur are as follows:

- E4.1.1 – Cypress Knolls
- E4.1.2.1 – Cypress Knolls
- E4.1.2.2 – Cypress Knolls
- L5.9.1.1 – Marina Radio Club
- L5.4.2 – Marina Park
- L5.5.1 – Marina Park
- E2b.3.1.1 – Marina Arts District
- E2c.4.2.1 – Commercial/Business Park
- L5.5.1 – PBC parcel 2nd Ave, across from CSBUB
- L23.1.5 – across from FORA on 11st street
- E2d.3.2 – Equestrian Center
- L5.9.1.2 – Equestrian Center
- E2b.2.4 – White Church across from VA/DOD clinic
- L5.4.1 – old pool, water city roller hockey
- E2b.1.5 – old fire station, 2nd ave.

Any other parcel within the boundaries of the former Fort Ord Military Base that is now located within the City of Marina.

BUILDING REMOVAL FUNDING AGREEMENT

among the

FORT ORD REUSE AUTHORITY,

and the

**CITY OF MARINA, CALIFORNIA,
as Administrator,**

and the

MARINA COAST WATER DISTRICT

Dated as of June 1, 2020

**Relating to:
Fort Ord Reuse Authority
Tax Allocation Bonds,
Series 2020
(Federally Taxable)**

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EXHIBIT A – BUILDING REMOVAL COSTS AND RELATED PARCELS

BUILDING REMOVAL FUNDING AGREEMENT

THIS BUILDING REMOVAL FUNDING AGREEMENT (the "Agreement"), dated as of June 1, 2020, is by and among the FORT ORD REUSE AUTHORITY (the "Authority"), the CITY OF MARINA, CALIFORNIA, as Administrator (the "Administrator") and the MARINA COAST WATER DISTRICT (the "Funding Recipient"), and is related to use by the Funding Recipient of proceeds of the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds").

RECITALS:

WHEREAS, the Authority is issuing the Bonds pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), by and among the Authority, the Administrator and U.S. Bank National Association, as trustee (the "Trustee") in order to fund Building Removal Costs of Building Removal to be undertaken by the Local Agencies, as such capitalized terms are defined in the Indenture; and

WHEREAS, the Funding Recipient is one of the Local Agencies, and the Indenture provides for the deposit of a portion of the proceeds of the Bonds to an MCWD Bond Proceeds Account of a Project Fund held by the Trustee on the date of issuance of the Bonds (the "Closing Date") as set forth in Section 3.02(a)(iv) of the Indenture, and to the MCWD Bond Proceeds Account of the Project Fund held by the Trustee following the Closing Date and payment of the CalPERS Obligation (as defined in the Indenture) as set forth in Section 3.04(c) of the Indenture; and

WHEREAS, pursuant to Section 3.04(b) of the Indenture, the Trustee will remit the amount deposited in the MCWD Bond Proceeds Account to the Funding Recipient on the Closing Date; and pursuant to Section 3.04(c) of the Indenture, the Trustee will remit the amount deposited to the MCWD Bond Proceeds Account pursuant to Section 3.05 of the Indenture to the Funding Recipient promptly following the deposit of funds thereto, in each case to be used by the Funding Recipient as provided in this Agreement; and

WHEREAS, the Authority will be dissolved on June 30, 2020, and the Administrator is entering into this Agreement as assignee of the Authority under the Indenture solely to perform certain limited administrative activities as expressly set forth in the Indenture;

WHEREAS, the Authority, the Administrator and the Funding Recipient now desire to set forth provisions related to the disposition by the Funding Recipient of the amount transferred to it by the Trustee on the Closing Date, and to specify the rights and limited liability of the Administrator hereunder.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Recitals. Each of the above recitals as applicable to it is true and correct.

2. Issuance of the Bonds. The Authority hereby agrees to (a) issue the Bonds, (b) cause 5.25% of the proceeds of the Bonds available to be used by the Local Agencies (as defined in the Indenture) for Building Removal Costs pursuant to Sections 3.03(b) and (c) of the Indenture to be deposited to the MCWD Bond Proceeds Account under the Indenture, and (c) cause the Trustee to remit the amount deposited to the MCWD Bond Proceeds Account pursuant to Section 3.02 of the Indenture to the Funding Recipient on the Closing Date, and any amount deposited to the MCWD Bond Proceeds Account pursuant to Section 3.02(c) of the Indenture (constituting 5.25% of the funds released from the CalPERS Obligation Fund to the Local Agencies (after payment of the CalPERS Obligation) as defined in the Indenture) to be remitted to the Funding Recipient as provided in Section 3.02(c) of the Indenture. Notwithstanding the foregoing, this Agreement shall be null and void ab initio if for any reason whatsoever the Authority does not perform its obligations under the preceding sentence prior to its dissolution, and no damages or liability whatsoever shall arise or be incurred by the Authority as a consequence of its failure to perform such obligations. In no event shall the Funding Recipient have a right to compel the issuance of the Bonds.

The Funding Recipient hereby advises that its wire transfer instructions for the transfer of funds provided for in clause (c) of the first sentence of the preceding paragraph will be provided by the Funding Recipient to the Authority, the Administrator and the Trustee prior to the Closing Date for the Bonds.

3. Use of Proceeds. The Funding Recipient hereby agrees to establish an account on its books and records (referred to in this Agreement as the "Building Removal Account") in order to account for its use of the proceeds of the Bonds remitted to it as described in clause (c) of the first sentence of Section 2. Amounts deposited to the Building Removal Account may be comingled with other monies of the Funding Recipient for investment purposes, but the Funding Recipient shall at all times maintain records as to the funds in the Building Removal Account and the investment earnings thereon as provided below.

The Funding Recipient agrees that amounts withdrawn from the Building Removal Account will be used solely to pay costs of the Building Removal Costs, as described in Exhibit A hereto then due and payable by the Funding Recipient, or that have otherwise theretofore been paid by the Funding Recipient after the date of this Agreement. In no event shall the Authority or the Administrator have any responsibility for the use by the Funding Recipient of amounts disbursed from the Building Removal Account, or any Building Removal activities of the Funding Recipient, or for any Building Removal Costs incurred by the Funding Recipient.

The Funding Recipient shall have the sole right to direct the investment of the amounts on deposit in the Building Removal Account. While the Funding Recipient shall have no obligation or liability with respect to any such investment, including any losses with respect thereto, any investment earnings on funds in the Building Removal Account shall be credited to such account and used solely for the purposes thereof as provided in this Section 3.

The Funding Recipient agrees to maintain accounting records relating to the use of amounts disbursed to or upon its order from the Building Removal Account in accordance with Funding Recipient's accounting procedures for similar funds. The Funding Recipient will, upon written request, provide the Authority or the Administrator, whichever requests the same, complete copies of the Funding Recipient's records related to such disbursements.

In the event that the Funding Recipient determines in its sole discretion that it has funds in the Building Removal Account that it will not expend on Building Removal Costs, it shall remit such amount to the Trustee for deposit in the Surplus Account under the Indenture for disposition from the Surplus Account as provided in the Indenture.

Neither the Authority nor the Administrator shall have any liability or responsibility whatsoever with respect to any Building Removal activities of the Funding Recipient or any Building Removal Costs or other costs incurred for any reason by the Funding Recipient. The Funding Recipient hereby agrees to hold the Authority and the Administrator harmless with respect to any claim by any entity in opposition to the provisions of the preceding sentence.

4. Reimbursement of Administrative Costs. The Funding Recipient hereby agrees to pay, other than from amounts in the Building Removal Account, any and all costs with respect to its review, execution and performance of this Agreement. Neither the Authority nor the Administrator shall have any obligation to pay any costs of the Funding Recipient incurred by it in connection with this Agreement or the Building Removal activities of the Funding Recipient.

Costs of the Authority and the Administrator with respect to this Agreement (a) incurred on or before the Closing Date, shall be Costs of Issuance to be paid from the Costs of Issuance Fund under the Indenture; (b) incurred from and after the Closing Date shall be Administrative Expenses to be paid from the Administrative Expense Fund under the Indenture (as such capitalized terms used in the preceding clauses (a) and (b) are defined in the Indenture); and the Funding Recipient shall have no responsibility to pay any such costs. The Funding Recipient shall have no responsibility to pay any costs of the Authority or the Administrator incurred by them with respect to the Indenture for the repayment or the administration of the Bonds.

5. Building Removal. The Funding Recipient shall have sole responsibility for all of its Building Removal activities..

6. Limited Obligations. All obligations of the Authority under and pursuant to this Agreement shall be limited to those specified in the first sentence of Section 2, subject in any

event to the provisions of the second sentence of Section 2. No Boardmember, officer or employee of the Authority shall in any event be personally liable hereunder. Following any deposit of Bond proceeds in the Building Removal Account as provided in Section 3 above, the Authority shall have no liability with respect to the handling or the investment of such funds by the Funding Recipient, or the disposition of such funds by the Funding Recipient.

The only obligations of the Funding Recipient hereunder shall be to expend amounts in Building Removal Account for Building Removal Costs, and to maintain records as to the use of the amounts withdrawn from the Building Removal Account. If, for any reason whatsoever, there are insufficient funds in the Building Removal Account to pay all of the Building Removal Costs of the Funding Recipient, none of the Funding Recipient, the Authority or the Administrator shall have any obligation under this Agreement to fund any such shortfall. If the Funding Recipient shall fail to perform any of its obligations hereunder, the sole remedy of the Authority or the Administrator shall be the commencement of an action in the Superior Court for specific performance by the Funding Recipient of such obligations. No member of the governing board of the Funding Recipient, or any officer or employee thereof, shall in any event be personally liable hereunder.

The Administrator shall have no obligation or liability to the Funding Recipient or the Authority under this Agreement. It is hereby acknowledged that the sole reason for the Administrator to be a party to this Agreement is to recognize its rights to accounting records of, and to compel performance by, the Funding Recipient hereunder, and to consent to amendments hereto in its sole discretion. In no event shall the Administrator have any liability to the Authority or the Funding Recipient under or by reason of this Agreement, and no Councilmember, officer or employee of the Administrator shall in any event be personally liable hereunder.

7. Termination. This Agreement shall cease to be effective and shall terminate (a) upon the dissolution of the Authority, if the Authority has not issued the Bonds prior to its dissolution, or (b) upon the disbursement by the Funding Recipient of all amounts in the Building Removal Account. Notwithstanding the foregoing, the provisions of the fourth paragraph of Section 3 and the provisions of Section 6 shall survive such termination.

8. Amendment. This Agreement may be amended at any time but only in writing signed by (a) prior to the dissolution of the Authority, the Authority, the Administrator and the Funding Recipient, and (b) after dissolution of the Authority, the Administrator and the Funding Recipient.

9. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

10. Notices. Any notice required or permitted by this Agreement to be given or delivered to another party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

The Authority: Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, California 93933
Attention: Executive Officer

Administrator: City of Marina
211 Hillcrest Avenue
Marina, California 93933
Attention: City Manager

Funding Recipient: Marina Coast Water District
11 Reservation Road
Marina, California 93933-2099
Attention: General Manager

A copy of any notice to be given to the Authority hereunder shall be given to the Administrator. Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

11. Exhibit. The exhibit attached hereto is incorporated into this Agreement by this reference.

12. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

13. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

14. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

15. No Third Party Beneficiaries. No person or entity (including but not limited to the Trustee or the owners of the Bonds) shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than Administrator, the Authority and Funding Recipient, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Director

CITY OF MARINA, CALIFORNIA,
as Administrator

By: _____
Layne Long,
City Manager

MARINA COAST WATER DISTRICT

By: _____
Its: _____

06006.05:J16856

EXHIBIT A

BUILDING REMOVAL COSTS AND RELATED PARCELS

"Building Removal Costs" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to removed blighted buildings from certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

"Building Removal" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

The parcel(s) on which the Building Removal activities of the Funding Recipient may occur are as follows:

Jurisdiction	USACE Parcel Number	Description
City of Marina	L35.1	MCWD Storage
State Parks	S3.1.1	Wastewater Plant

BUILDING REMOVAL FUNDING AGREEMENT

among the

FORT ORD REUSE AUTHORITY,

and the

**CITY OF MARINA, CALIFORNIA,
as Administrator,**

and the

MONTEREY-SALINAS TRANSIT DISTRICT

Dated as of June 1, 2020

**Relating to:
Fort Ord Reuse Authority
Tax Allocation Bonds,
Series 2020
(Federally Taxable)**

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EXHIBIT A – BUILDING REMOVAL COSTS AND RELATED PARCELS

BUILDING REMOVAL FUNDING AGREEMENT

THIS BUILDING REMOVAL FUNDING AGREEMENT (the "Agreement"), dated as of June 1, 2020, is by and among the FORT ORD REUSE AUTHORITY (the "Authority"), the CITY OF MARINA, CALIFORNIA, as Administrator (the "Administrator") and the MONTEREY-SALINAS TRANSIT DISTRICT (the "Funding Recipient"), and is related to use by the Funding Recipient of proceeds of the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds").

RECITALS:

WHEREAS, the Authority is issuing the Bonds pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), by and among the Authority, the Administrator and U.S. Bank National Association, as trustee (the "Trustee") in order to fund Building Removal Costs of Building Removal to be undertaken by the Local Agencies, as such capitalized terms are defined in the Indenture; and

WHEREAS, the Funding Recipient is one of the Local Agencies, and the Indenture provides for the deposit of a portion of the proceeds of the Bonds to an MST Bond Proceeds Account of a Project Fund held by the Trustee on the date of issuance of the Bonds (the "Closing Date") as set forth in Section 3.02(a)(v) of the Indenture, and to the MST Bond Proceeds Account of the Project Fund held by the Trustee following the Closing Date and payment of the CalPERS Obligation (as defined in the Indenture) as set forth in Section 3.04(c) of the Indenture; and

WHEREAS, pursuant to Section 3.04(b) of the Indenture, the Trustee will remit the amount deposited in the MST Bond Proceeds Account to the Funding Recipient on the Closing Date; and pursuant to Section 3.04(c) of the Indenture, the Trustee will remit the amount deposited to the MST Bond Proceeds Account pursuant to Section 3.05 of the Indenture to the Funding Recipient promptly following the deposit of funds thereto, in each case to be used by the Funding Recipient as provided in this Agreement; and

WHEREAS, the Authority will be dissolved on June 30, 2020, and the Administrator is entering into this Agreement as assignee of the Authority under the Indenture solely to perform certain limited administrative activities as expressly set forth in the Indenture;

WHEREAS, the Authority, the Administrator and the Funding Recipient now desire to set forth provisions related to the disposition by the Funding Recipient of the amount transferred to it by the Trustee on the Closing Date, and to specify the rights and limited liability of the Administrator hereunder.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Recitals. Each of the above recitals as applicable to it is true and correct.

2. Issuance of the Bonds. The Authority hereby agrees to (a) issue the Bonds, (b) cause 1.00% of the proceeds of the Bonds available to be used by the Local Agencies (as defined in the Indenture) for Building Removal Costs pursuant to Sections 3.03(b) and (c) of the Indenture to be deposited to the MST Bond Proceeds Account under the Indenture, and (c) cause the Trustee to remit the amount deposited to the MST Bond Proceeds Account pursuant to Section 3.02 of the Indenture to the Funding Recipient on the Closing Date, and any amount deposited to the MST Bond Proceeds Account pursuant to Section 3.02(c) of the Indenture (constituting 1.00% of the funds released from the CalPERS Obligation Fund to the Local Agencies (after payment of the CalPERS Obligation) as defined in the Indenture) to be remitted to the Funding Recipient as provided in Section 3.02(c) of the Indenture. Notwithstanding the foregoing, this Agreement shall be null and void ab initio if for any reason whatsoever the Authority does not perform its obligations under the preceding sentence prior to its dissolution, and no damages or liability whatsoever shall arise or be incurred by the Authority as a consequence of its failure to perform such obligations. In no event shall the Funding Recipient have a right to compel the issuance of the Bonds.

The Funding Recipient hereby advises that its wire transfer instructions for the transfer of funds provided for in clause (c) of the first sentence of the preceding paragraph will be provided by the Funding Recipient to the Authority, the Administrator and the Trustee prior to the Closing Date for the Bonds.

3. Use of Proceeds. The Funding Recipient hereby agrees to establish an account on its books and records (referred to in this Agreement as the "Building Removal Account") in order to account for its use of the proceeds of the Bonds remitted to it as described in clause (c) of the first sentence of Section 2. Amounts deposited to the Building Removal Account may be comingled with other monies of the Funding Recipient for investment purposes, but the Funding Recipient shall at all times maintain records as to the funds in the Building Removal Account and the investment earnings thereon as provided below.

The Funding Recipient agrees that amounts withdrawn from the Building Removal Account will be used solely to pay costs of the Building Removal Costs, as described in Exhibit A hereto then due and payable by the Funding Recipient, or that have otherwise theretofore been paid by the Funding Recipient after the date of this Agreement. In no event shall the Authority or the Administrator have any responsibility for the use by the Funding Recipient of amounts disbursed from the Building Removal Account, or any Building Removal activities of the Funding Recipient, or for any Building Removal Costs incurred by the Funding Recipient.

The Funding Recipient shall have the sole right to direct the investment of the amounts on deposit in the Building Removal Account. While the Funding Recipient shall have no obligation or liability with respect to any such investment, including any losses with respect thereto, any investment earnings on funds in the Building Removal Account shall be credited to such account and used solely for the purposes thereof as provided in this Section 3.

The Funding Recipient agrees to maintain accounting records relating to the use of amounts disbursed to or upon its order from the Building Removal Account in accordance with Funding Recipient's accounting procedures for similar funds. The Funding Recipient will, upon written request, provide the Authority or the Administrator, whichever requests the same, complete copies of the Funding Recipient's records related to such disbursements.

In the event that the Funding Recipient determines in its sole discretion that it has funds in the Building Removal Account that it will not expend on Building Removal Costs, it shall remit such amount to the Trustee for deposit in the Surplus Account under the Indenture for disposition from the Surplus Account as provided in the Indenture.

Neither the Authority nor the Administrator shall have any liability or responsibility whatsoever with respect to any Building Removal activities of the Funding Recipient or any Building Removal Costs or other costs incurred for any reason by the Funding Recipient. The Funding Recipient hereby agrees to hold the Authority and the Administrator harmless with respect to any claim by any entity in opposition to the provisions of the preceding sentence.

4. Reimbursement of Administrative Costs. The Funding Recipient hereby agrees to pay, other than from amounts in the Building Removal Account, any and all costs with respect to its review, execution and performance of this Agreement. Neither the Authority nor the Administrator shall have any obligation to pay any costs of the Funding Recipient incurred by it in connection with this Agreement or the Building Removal activities of the Funding Recipient.

Costs of the Authority and the Administrator with respect to this Agreement (a) incurred on or before the Closing Date, shall be Costs of Issuance to be paid from the Costs of Issuance Fund under the Indenture; (b) incurred from and after the Closing Date shall be Administrative Expenses to be paid from the Administrative Expense Fund under the Indenture (as such capitalized terms used in the preceding clauses (a) and (b) are defined in the Indenture); and the Funding Recipient shall have no responsibility to pay any such costs. The Funding Recipient shall have no responsibility to pay any costs of the Authority or the Administrator incurred by them with respect to the Indenture for the repayment or the administration of the Bonds.

5. Building Removal. The Funding Recipient shall have sole responsibility for all of its Building Removal activities..

6. Limited Obligations. All obligations of the Authority under and pursuant to this Agreement shall be limited to those specified in the first sentence of Section 1, subject in any

event to the provisions of the second sentence of Section 1. No Boardmember, officer or employee of the Authority shall in any event be personally liable hereunder. Following any deposit of Bond proceeds in the Building Removal Account as provided in Section 1 above, the Authority shall have no liability with respect to the handling or the investment of such funds by the Funding Recipient, or the disposition of such funds by the Funding Recipient.

The only obligations of the Funding Recipient hereunder shall be to expend amounts in Building Removal Account for Building Removal Costs, and to maintain records as to the use of the amounts withdrawn from the Building Removal Account. If, for any reason whatsoever, there are insufficient funds in the Building Removal Account to pay all of the Building Removal Costs of the Funding Recipient, none of the Funding Recipient, the Authority or the Administrator shall have any obligation under this Agreement to fund any such shortfall. If the Funding Recipient shall fail to perform any of its obligations hereunder, the sole remedy of the Authority or the Administrator shall be the commencement of an action in the Superior Court for specific performance by the Funding Recipient of such obligations. No member of the governing board of the Funding Recipient, or any officer or employee thereof, shall in any event be personally liable hereunder.

The Administrator shall have no obligation or liability to the Funding Recipient or the Authority under this Agreement. It is hereby acknowledged that the sole reason for the Administrator to be a party to this Agreement is to recognize its rights to accounting records of, and to compel performance by, the Funding Recipient hereunder, and to consent to amendments hereto in its sole discretion. In no event shall the Administrator have any liability to the Authority or the Funding Recipient under or by reason of this Agreement, and no Councilmember, officer or employee of the Administrator shall in any event be personally liable hereunder.

7. Termination. This Agreement shall cease to be effective and shall terminate (a) upon the dissolution of the Authority, if the Authority has not issued the Bonds prior to its dissolution, or (b) if not terminated pursuant to clause (a), upon the disbursement by the Funding Recipient of all amounts in the Building Removal Account. Notwithstanding the foregoing, the provisions of the fourth paragraph of Section 3 and the provisions of Section 6 shall survive such termination.

8. Amendment. This Agreement may be amended at any time but only in writing signed by (a) prior to the dissolution of the Authority, the Authority, the Administrator and the Funding Recipient, and (b) after dissolution of the Authority, the Administrator and the Funding Recipient.

9. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

10. Notices. Any notice required or permitted by this Agreement to be given or delivered to another party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

The Authority: Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, California 93933
Attention: Executive Officer

Administrator: City of Marina
211 Hillcrest Avenue
Marina, California 93933
Attention: City Manager

Funding Recipient: Monterey-Salinas Transit District
19 Upper Ragsdale Drive, Suite 200
Monterey, California 93940
Attention: General Manager/Chief Executive Officer

A copy of any notice to be given to the Authority hereunder shall be given to the Administrator. Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

11. Exhibit. The exhibit attached hereto is incorporated into this Agreement by this reference.

12. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

13. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

14. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

15. No Third Party Beneficiaries. No person or entity (including but not limited to the Trustee or the owners of the Bonds) shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than Administrator, the Authority and Funding Recipient, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Director

CITY OF MARINA, CALIFORNIA,
as Administrator

By: _____
Layne Long,
City Manager

MONTEREY-SALINAS TRANSIT DISTRICT

By: _____
Carl Sedoryk,
General Manager/
Chief Executive Officer

06006.05:J16854

EXHIBIT A

BUILDING REMOVAL COSTS AND RELATED PARCELS

"Building Removal Costs" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to removed blighted buildings from certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

"Building Removal" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcels of property within the boundaries of the former Fort Ord listed below.

The parcels on which the Building Removal activities of the Funding Recipient may occur are as follows:

<u>Jurisdiction</u>	<u>USACE Parcel Number</u>	<u>Description</u>
City of Marina	L2.1	MST Transit Center
City of Seaside	L2.4.3.1	MST Storage

BUILDING REMOVAL FUNDING AGREEMENT

among the

FORT ORD REUSE AUTHORITY,

and the

**CITY OF MARINA, CALIFORNIA,
as Administrator,**

and the

CITY OF SEASIDE, CALIFORNIA

Dated as of June 1, 2020

**Relating to:
Fort Ord Reuse Authority
Tax Allocation Bonds,
Series 2020
(Federally Taxable)**

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EXHIBIT A – BUILDING REMOVAL COSTS AND RELATED PARCELS

BUILDING REMOVAL FUNDING AGREEMENT

THIS BUILDING REMOVAL FUNDING AGREEMENT (the "Agreement"), dated as of June 1, 2020, is by and among the FORT ORD REUSE AUTHORITY (the "Authority"), the CITY OF MARINA, CALIFORNIA, as Administrator (the "Administrator") and the CITY OF SEASIDE, CALIFORNIA (the "Funding Recipient"), and is related to use by the Funding Recipient of proceeds of the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds").

RECITALS:

WHEREAS, the Authority is issuing the Bonds pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), by and among the Authority, the Administrator and U.S. Bank National Association, as trustee (the "Trustee") in order to fund Building Removal Costs of Building Removal to be undertaken by the Local Agencies, as such capitalized terms are defined in the Indenture; and

WHEREAS, the Funding Recipient is one of the Local Agencies, and the Indenture provides for the deposit of a portion of the proceeds of the Bonds to a Seaside Bond Proceeds Account of a Project Fund held by the Trustee on the date of issuance of the Bonds (the "Closing Date") as set forth in Section 3.02(a)(vi) of the Indenture, and to the Seaside Bond Proceeds Account of the Project Fund held by the Trustee following the Closing Date and payment of the CalPERS Obligation (as defined in the Indenture) as set forth in Section 3.04(c) of the Indenture; and

WHEREAS, pursuant to Section 3.04(b) of the Indenture, the Trustee will remit the amount deposited in the Seaside Bond Proceeds Account to the Funding Recipient on the Closing Date; and pursuant to Section 3.04(c) of the Indenture, the Trustee will remit the amount deposited to the Seaside Bond Proceeds Account pursuant to Section 3.05 of the Indenture to the Funding Recipient promptly following the deposit of funds thereto, in each case to be used by the Funding Recipient as provided in this Agreement; and

WHEREAS, the Authority will be dissolved on June 30, 2020, and the Administrator is entering into this Agreement as assignee of the Authority under the Indenture solely to perform certain limited administrative activities as expressly set forth in the Indenture;

WHEREAS, the Authority, the Administrator and the Funding Recipient now desire to set forth provisions related to the disposition by the Funding Recipient of the amount transferred to it by the Trustee on the Closing Date, and to specify the rights and limited liability of the Administrator hereunder.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Recitals. Each of the above recitals as applicable to it is true and correct.

2. Issuance of the Bonds. The Authority hereby agrees to (a) issue the Bonds, (b) cause 34.50% of the proceeds of the Bonds available to be used by the Local Agencies (as defined in the Indenture) for Building Removal Costs pursuant to Sections 3.03(b) and (c) of the Indenture to be deposited to the Seaside Bond Proceeds Account under the Indenture, and (c) cause the Trustee to remit the amount deposited to the Seaside Bond Proceeds Account pursuant to Section 3.02 of the Indenture to the Funding Recipient on the Closing Date, and any amount deposited to the Seaside Bond Proceeds Account pursuant to Section 3.02(c) of the Indenture (constituting 34.50% of the funds released from the CalPERS Obligation Fund to the Local Agencies (after payment of the CalPERS Obligation) as defined in the Indenture) to be remitted to the Funding Recipient as provided in Section 3.02(c) of the Indenture. Notwithstanding the foregoing, this Agreement shall be null and void ab initio if for any reason whatsoever the Authority does not perform its obligations under the preceding sentence prior to its dissolution, and no damages or liability whatsoever shall arise or be incurred by the Authority as a consequence of its failure to perform such obligations. In no event shall the Funding Recipient have a right to compel the issuance of the Bonds.

The Funding Recipient hereby advises that its wire transfer instructions for the transfer of funds provided for in clause (c) of the first sentence of the preceding paragraph will be provided by the Funding Recipient to the Authority, the Administrator and the Trustee prior to the Closing Date for the Bonds.

3. Use of Proceeds. The Funding Recipient hereby agrees to establish an account on its books and records (referred to in this Agreement as the "Building Removal Account") in order to account for its use of the proceeds of the Bonds remitted to it as described in clause (c) of the first sentence of Section 2. Amounts deposited to the Building Removal Account may be comingled with other monies of the Funding Recipient for investment purposes, but the Funding Recipient shall at all times maintain records as to the funds in the Building Removal Account and the investment earnings thereon as provided below.

The Funding Recipient agrees that amounts withdrawn from the Building Removal Account will be used solely to pay costs of the Building Removal Costs, as described in Exhibit A hereto then due and payable by the Funding Recipient, or that have otherwise theretofore been paid by the Funding Recipient after the date of this Agreement. In no event shall the Authority or the Administrator have any responsibility for the use by the Funding Recipient of amounts disbursed from the Building Removal Account, or any Building Removal activities of the Funding Recipient, or for any Building Removal Costs incurred by the Funding Recipient.

The Funding Recipient shall have the sole right to direct the investment of the amounts on deposit in the Building Removal Account. While the Funding Recipient shall have no obligation or liability with respect to any such investment, including any losses with respect thereto, any investment earnings on funds in the Building Removal Account shall be credited to such account and used solely for the purposes thereof as provided in this Section 3.

The Funding Recipient agrees to maintain accounting records relating to the use of amounts disbursed to or upon its order from the Building Removal Account in accordance with Funding Recipient's accounting procedures for similar funds. The Funding Recipient will, upon written request, provide the Authority or the Administrator, whichever requests the same, complete copies of the Funding Recipient's records related to such disbursements.

In the event that the Funding Recipient determines in its sole discretion that it has funds in the Building Removal Account that it will not expend on Building Removal Costs, it shall remit such amount to the Trustee for deposit in the Surplus Account under the Indenture for disposition from the Surplus Account as provided in the Indenture.

Neither the Authority nor the Administrator shall have any liability or responsibility whatsoever with respect to any Building Removal activities of the Funding Recipient or any Building Removal Costs or other costs incurred for any reason by the Funding Recipient. The Funding Recipient hereby agrees to hold the Authority and the Administrator harmless with respect to any claim by any entity in opposition to the provisions of the preceding sentence.

4. Reimbursement of Administrative Costs. The Funding Recipient hereby agrees to pay, other than from amounts in the Building Removal Account, any and all costs with respect to its review, execution and performance of this Agreement. Neither the Authority nor the Administrator shall have any obligation to pay any costs of the Funding Recipient incurred by it in connection with this Agreement or the Building Removal activities of the Funding Recipient.

Costs of the Authority and the Administrator with respect to this Agreement (a) incurred on or before the Closing Date, shall be Costs of Issuance to be paid from the Costs of Issuance Fund under the Indenture; (b) incurred from and after the Closing Date shall be Administrative Expenses to be paid from the Administrative Expense Fund under the Indenture (as such capitalized terms used in the preceding clauses (a) and (b) are defined in the Indenture); and the Funding Recipient shall have no responsibility to pay any such costs. The Funding Recipient shall have no responsibility to pay any costs of the Authority or the Administrator incurred by them with respect to the Indenture for the repayment or the administration of the Bonds.

5. Building Removal. The Funding Recipient shall have sole responsibility for all of its Building Removal activities..

6. Limited Obligations. All obligations of the Authority under and pursuant to this Agreement shall be limited to those specified in the first sentence of Section 2, subject in any

event to the provisions of the second sentence of Section 2. No Boardmember, officer or employee of the Authority shall in any event be personally liable hereunder. Following any deposit of Bond proceeds in the Building Removal Account as provided in Section 3 above, the Authority shall have no liability with respect to the handling or the investment of such funds by the Funding Recipient, or the disposition of such funds by the Funding Recipient.

The only obligations of the Funding Recipient hereunder shall be to expend amounts in Building Removal Account for Building Removal Costs, and to maintain records as to the use of the amounts withdrawn from the Building Removal Account. If, for any reason whatsoever, there are insufficient funds in the Building Removal Account to pay all of the Building Removal Costs of the Funding Recipient, none of the Funding Recipient, the Authority or the Administrator shall have any obligation under this Agreement to fund any such shortfall. If the Funding Recipient shall fail to perform any of its obligations hereunder, the sole remedy of the Authority or the Administrator shall be the commencement of an action in the Superior Court for specific performance by the Funding Recipient of such obligations. No member of the governing board of the Funding Recipient, or any officer or employee thereof, shall in any event be personally liable hereunder.

The Administrator shall have no obligation or liability to the Funding Recipient or the Authority under this Agreement. It is hereby acknowledged that the sole reason for the Administrator to be a party to this Agreement is to recognize its rights to accounting records of, and to compel performance by, the Funding Recipient hereunder, and to consent to amendments hereto in its sole discretion. In no event shall the Administrator have any liability to the Authority or the Funding Recipient under or by reason of this Agreement, and no Councilmember, officer or employee of the Administrator shall in any event be personally liable hereunder.

7. Termination. This Agreement shall cease to be effective and shall terminate (a) upon the dissolution of the Authority, if the Authority has not issued the Bonds prior to its dissolution, or (b) if not terminated pursuant to clause (a), upon the disbursement by the Funding Recipient of all amounts in the Building Removal Account. Notwithstanding the foregoing, the provisions of the fourth paragraph of Section 3 and the provisions of Section 6 shall survive such termination.

8. Amendment. This Agreement may be amended at any time but only in writing signed by (a) prior to the dissolution of the Authority, the Authority, the Administrator and the Funding Recipient, and (b) after dissolution of the Authority, the Administrator and the Funding Recipient.

9. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

10. Notices. Any notice required or permitted by this Agreement to be given or delivered to another party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

The Authority: Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, California 93933
Attention: Executive Officer

Administrator: City of Marina
211 Hillcrest Avenue
Marina, California 93933
Attention: City Manager

Funding Recipient: City of Seaside
440 Harcourt Avenue
Seaside, California 93955
Attention: City Manager

with a copy via email to: cityattorney@ci.seaside.ca.us

A copy of any notice to be given to the Authority hereunder shall be given to the Administrator. Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

11. Exhibit. The exhibit attached hereto is incorporated into this Agreement by this reference.

12. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

13. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

14. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

15. No Third Party Beneficiaries. No person or entity (including but not limited to the Trustee or the owners of the Bonds) shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than Administrator, the Authority and Funding Recipient, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

17. Prepayment of Bonds. The Funding Recipient hereby agrees to use its best efforts to prevent the Successor Agency to the Redevelopment Agency of the City of Seaside (the "Successor Agency") from redeeming such entities' outstanding Successor Agency to the Redevelopment Agency of the City of Seaside Tax Allocation Refunding Bonds, Series 2014 (the "2014 Bonds") prior to their final stated maturity date of August 1, 2033; provided that this covenant shall not apply to bonds issued by the Successor Agency to (a) refund the 2014 Bonds ("2014 Refunding Bonds"), or (b) refund 2014 Refunding Bonds or refund any subsequent series of refunding bonds related thereto, in each case that have a final stated maturity not earlier than August 1, 2033. To that end, the Funding Recipient agrees to exercise any influence it may have over the Successor Agency or the consultants for the Successor Agency to avoid the early redemption or retirement of the 2014 Bonds except as allowed pursuant to the preceding sentence. The provisions of this Section 17 shall survive any termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Director

CITY OF MARINA, CALIFORNIA,
as Administrator

By: _____
Layne Long,
City Manager

CITY OF SEASIDE, CALIFORNIA

By: _____
Craig Malin,
City Manager

06006.05:J16872

EXHIBIT A

BUILDING REMOVAL COSTS AND RELATED PARCELS

"Building Removal Costs" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to removed blighted buildings from certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

"Building Removal" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcels of property within the boundaries of the former Fort Ord listed below.

The parcels on which the Building Removal activities of the Funding Recipient may occur are as follows:

L32.4.1.1	Surplus II
L19.4	Surplus II
L15.1	Surplus II
F2.3.2	Main Gate
F2.3.3	GJMB Parcel
F5.2	National Guard
L23.5.1	Chartwell School
E18.1.3	Nurses Barracks

Any other parcel within the boundaries of the former Fort Ord Military Base that is now located within the City of Seaside.

BUILDING REMOVAL FUNDING AGREEMENT

among the

FORT ORD REUSE AUTHORITY,

and the

**CITY OF MARINA, CALIFORNIA,
as Administrator,**

and the

TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Dated as of June 1, 2020

**Relating to:
Fort Ord Reuse Authority
Tax Allocation Bonds,
Series 2020
(Federally Taxable)**

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EXHIBIT A – BUILDING REMOVAL COSTS AND RELATED PARCEL

BUILDING REMOVAL FUNDING AGREEMENT

THIS BUILDING REMOVAL FUNDING AGREEMENT (the "Agreement"), dated as of June 1, 2020, is by and among the FORT ORD REUSE AUTHORITY (the "Authority"), the CITY OF MARINA, CALIFORNIA, as Administrator (the "Administrator") and the TRANSPORTATION AGENCY FOR MONTEREY COUNTY (the "Funding Recipient"), and is related to use by the Funding Recipient of proceeds of the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds").

RECITALS:

WHEREAS, the Authority is issuing the Bonds pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), by and among the Authority, the Administrator and U.S. Bank National Association, as trustee (the "Trustee") in order to fund Building Removal Costs of Building Removal to be undertaken by the Local Agencies, as such capitalized terms are defined in the Indenture; and

WHEREAS, the Funding Recipient is one of the Local Agencies, and the Indenture provides for the deposit of a portion of the proceeds of the Bonds to a TAMC Bond Proceeds Account of a Project Fund held by the Trustee on the date of issuance of the Bonds (the "Closing Date") as set forth in Section 3.02(a)(vii) of the Indenture, and to the TAMC Bond Proceeds Account of the Project Fund held by the Trustee following the Closing Date and payment of the CalPERS Obligation (as defined in the Indenture) as set forth in Section 3.04(c) of the Indenture; and

WHEREAS, pursuant to Section 3.04(b) of the Indenture, the Trustee will remit the amount deposited in the TAMC Bond Proceeds Account to the Funding Recipient on the Closing Date; and pursuant to Section 3.04(c) of the Indenture, the Trustee will remit the amount deposited to the TAMC Bond Proceeds Account pursuant to Section 3.05 of the Indenture to the Funding Recipient promptly following the deposit of funds thereto, in each case to be used by the Funding Recipient as provided in this Agreement; and

WHEREAS, the Authority will be dissolved on June 30, 2020, and the Administrator is entering into this Agreement as assignee of the Authority under the Indenture solely to perform certain limited administrative activities as expressly set forth in the Indenture;

WHEREAS, the Authority, the Administrator and the Funding Recipient now desire to set forth provisions related to the disposition by the Funding Recipient of the amount transferred to it by the Trustee on the Closing Date, and to specify the rights and limited liability of the Administrator hereunder.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Recitals. Each of the above recitals as applicable to it is true and correct.

2. Issuance of the Bonds. The Authority hereby agrees to (a) issue the Bonds, (b) cause 7.00% of the proceeds of the Bonds available to be used by the Local Agencies (as defined in the Indenture) for Building Removal Costs pursuant to Sections 3.03(b) and (c) of the Indenture to be deposited to the TAMC Bond Proceeds Account under the Indenture, and (c) cause the Trustee to remit the amount deposited to the TAMC Bond Proceeds Account pursuant to Section 3.02 of the Indenture to the Funding Recipient on the Closing Date, and any amount deposited to the TAMC Bond Proceeds Account pursuant to Section 3.02(c) of the Indenture (constituting 7.00% of the funds released from the CalPERS Obligation Fund to the Local Agencies (after payment of the CalPERS Obligation) as defined in the Indenture) to be remitted to the Funding Recipient as provided in Section 3.02(c) of the Indenture. Notwithstanding the foregoing, this Agreement shall be null and void ab initio if for any reason whatsoever the Authority does not perform its obligations under the preceding sentence prior to its dissolution, and no damages or liability whatsoever shall arise or be incurred by the Authority as a consequence of its failure to perform such obligations. In no event shall the Funding Recipient have a right to compel the issuance of the Bonds.

The Funding Recipient hereby advises that its wire transfer instructions for the transfer of funds provided for in clause (c) of the first sentence of the preceding paragraph will be provided by the Funding Recipient to the Authority, the Administrator and the Trustee prior to the Closing Date for the Bonds.

3. Use of Proceeds. The Funding Recipient hereby agrees to establish an account on its books and records (referred to in this Agreement as the "Building Removal Account") in order to account for its use of the proceeds of the Bonds remitted to it as described in clause (c) of the first sentence of Section 2. Amounts deposited to the Building Removal Account may be comingled with other monies of the Funding Recipient for investment purposes, but the Funding Recipient shall at all times maintain records as to the funds in the Building Removal Account and the investment earnings thereon as provided below.

The Funding Recipient agrees that amounts withdrawn from the Building Removal Account will be used solely to pay costs of the Building Removal Costs, as described in Exhibit A hereto then due and payable by the Funding Recipient, or that have otherwise theretofore been paid by the Funding Recipient after the date of this Agreement. In no event shall the Authority or the Administrator have any responsibility for the use by the Funding Recipient of amounts disbursed from the Building Removal Account, or any Building Removal activities of the Funding Recipient, or for any Building Removal Costs incurred by the Funding Recipient.

The Funding Recipient shall have the sole right to direct the investment of the amounts on deposit in the Building Removal Account. While the Funding Recipient shall have no obligation or liability with respect to any such investment, including any losses with respect thereto, any investment earnings on funds in the Building Removal Account shall be credited to such account and used solely for the purposes thereof as provided in this Section 3.

The Funding Recipient agrees to maintain accounting records relating to the use of amounts disbursed to or upon its order from the Building Removal Account in accordance with Funding Recipient's accounting procedures for similar funds. The Funding Recipient will, upon written request, provide the Authority or the Administrator, whichever requests the same, complete copies of the Funding Recipient's records related to such disbursements.

In the event that the Funding Recipient determines in its sole discretion that it has funds in the Building Removal Account that it will not expend on Building Removal Costs, it shall remit such amount to the Trustee for deposit in the Surplus Account under the Indenture for disposition from the Surplus Account as provided in the Indenture.

Neither the Authority nor the Administrator shall have any liability or responsibility whatsoever with respect to any Building Removal activities of the Funding Recipient or any Building Removal Costs or other costs incurred for any reason by the Funding Recipient. The Funding Recipient hereby agrees to hold the Authority and the Administrator harmless with respect to any claim by any entity in opposition to the provisions of the preceding sentence.

4. Reimbursement of Administrative Costs. The Funding Recipient hereby agrees to pay, other than from amounts in the Building Removal Account, any and all costs with respect to its review, execution and performance of this Agreement. Neither the Authority nor the Administrator shall have any obligation to pay any costs of the Funding Recipient incurred by it in connection with this Agreement or the Building Removal activities of the Funding Recipient.

Costs of the Authority and the Administrator with respect to this Agreement (a) incurred on or before the Closing Date, shall be Costs of Issuance to be paid from the Costs of Issuance Fund under the Indenture; (b) incurred from and after the Closing Date shall be Administrative Expenses to be paid from the Administrative Expense Fund under the Indenture (as such capitalized terms used in the preceding clauses (a) and (b) are defined in the Indenture); and the Funding Recipient shall have no responsibility to pay any such costs. The Funding Recipient shall have no responsibility to pay any costs of the Authority or the Administrator incurred by them with respect to the Indenture for the repayment or the administration of the Bonds.

5. Building Removal. The Funding Recipient shall have sole responsibility for all of its Building Removal activities..

6. Limited Obligations. All obligations of the Authority under and pursuant to this Agreement shall be limited to those specified in the first sentence of Section 2, subject in any

event to the provisions of the second sentence of Section 2. No Boardmember, officer or employee of the Authority shall in any event be personally liable hereunder. Following any deposit of Bond proceeds in the Building Removal Account as provided in Section 2 above, the Authority shall have no liability with respect to the handling or the investment of such funds by the Funding Recipient, or the disposition of such funds by the Funding Recipient.

The only obligations of the Funding Recipient hereunder shall be to expend amounts in Building Removal Account for Building Removal Costs, and to maintain records as to the use of the amounts withdrawn from the Building Removal Account. If, for any reason whatsoever, there are insufficient funds in the Building Removal Account to pay all of the Building Removal Costs of the Funding Recipient, none of the Funding Recipient, the Authority or the Administrator shall have any obligation under this Agreement to fund any such shortfall. If the Funding Recipient shall fail to perform any of its obligations hereunder, the sole remedy of the Authority or the Administrator shall be the commencement of an action in the Superior Court for specific performance by the Funding Recipient of such obligations. No member of the governing board of the Funding Recipient, or any officer or employee thereof, shall in any event be personally liable hereunder.

The Administrator shall have no obligation or liability to the Funding Recipient or the Authority under this Agreement. It is hereby acknowledged that the sole reason for the Administrator to be a party to this Agreement is to recognize its rights to accounting records of, and to compel performance by, the Funding Recipient hereunder, and to consent to amendments hereto in its sole discretion. In no event shall the Administrator have any liability to the Authority or the Funding Recipient under or by reason of this Agreement, and no Councilmember, officer or employee of the Administrator shall in any event be personally liable hereunder.

7. Termination. This Agreement shall cease to be effective and shall terminate (a) upon the dissolution of the Authority, if the Authority has not issued the Bonds prior to its dissolution, or (b) if not terminated pursuant to clause (a), upon the disbursement by the Funding Recipient of all amounts in the Building Removal Account. Notwithstanding the foregoing, the provisions of the fourth paragraph of Section 3 and the provisions of Section 6 shall survive such termination.

8. Amendment. This Agreement may be amended at any time but only in writing signed by (a) prior to the dissolution of the Authority, the Authority, the Administrator and the Funding Recipient, and (b) after dissolution of the Authority, the Administrator and the Funding Recipient.

9. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

10. Notices. Any notice required or permitted by this Agreement to be given or delivered to another party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

The Authority: Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, California 93933
Attention: Executive Officer

Administrator: City of Marina
211 Hillcrest Avenue
Marina, California 93933
Attention: City Manager

Funding Recipient: Transportation Agency for Monterey County
55-B Plaza Circle
Salinas, California 93901
Attention: Executive Director

A copy of any notice to be given to the Authority hereunder shall be given to the Administrator. Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

11. Exhibit. The exhibit attached hereto is incorporated into this Agreement by this reference.

12. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

13. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

14. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

15. No Third Party Beneficiaries. No person or entity (including but not limited to the Trustee or the owners of the Bonds) shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than Administrator, the Authority and Funding Recipient, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Director

CITY OF MARINA, CALIFORNIA,
as Administrator

By: _____
Layne Long,
City Manager

TRANSPORTATION AGENCY FOR
MONTEREY COUNTY

By: _____
Debbie Hale,
Executive Director

06006.05:J16858

EXHIBIT A

BUILDING REMOVAL COSTS AND RELATED PARCEL

"*Building Removal Costs*" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to removed blighted buildings from certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

"*Building Removal*" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcel of property within the boundaries of the former Fort Ord listed below.

The parcel on which the Building Removal activities of the Funding Recipient may occur is as follows:

<u>Jurisdiction</u>	<u>USACE Parcel Number</u>	<u>Description</u>
City of Marina	L20.16.1	TAMC Transit Center

IRREVOCABLE DIRECTION TO TRANSFER FUNDS

June __, 2020

To: Auditor-Controller
County of Monterey

Treasurer-Tax Collector
County of Monterey

From: Fort Ord Reuse Authority

The Fort Ord Reuse Authority ("FORA") has issued its \$_____ Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds") pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), among FORA, the City of Marina, California (the "Administrator") and U.S. Bank National Association, as trustee (the "Trustee"). Pursuant to the Indenture, the Bonds are payable from "Pledged Tax Revenues," which include all taxes that are allocated, or available to be allocated, to FORA pursuant to California Health and Safety Code Section 33492.71, subsection (c)(1)(A) prior to its dissolution, and upon its dissolution, pursuant to California Health and Safety Code Section 33492.71, subsection (c)(1)(D) attributable to (a) the Seaside-Fort Ord Project Area, and (b) the Marina Redevelopment Project No. 3 (formerly known as the Fort Ord Redevelopment Project Area) (collectively, the "Project Areas").

The Indenture contains a pledge of and grants a security interest in and lien on all of Pledged Tax Revenues. The Indenture will remain in effect until the Bonds have been paid in full. The final maturity of the Bonds is September 1, 2037.

In respect of the foregoing, FORA hereby irrevocably authorizes and directs the Auditor-Controller of the County of Monterey and the Treasurer-Tax Collector of the County of Monterey (referred to collectively as the "County") as follows:

- (a) To remit directly to the Trustee all tax-increment revenue to be paid to FORA pursuant to Sections 33492.71(c)(1)(A) and (D) of the California Health and Safety Code derived from the two Project Areas, including all amounts to be so remitted in the current fiscal year.

- (b) The transfers described in (a) shall be made directly to the Trustee, as follows:

Name of Bank: U.S. Bank National Association
ABA#: _____
Account Name: U.S. Bank Corporate Trust
Account Number: _____
Contact: _____
Telephone: () ___-____
Comment: Fort Ord Reuse Tax Allocation Bonds
Debt Service Fund

Notwithstanding the foregoing, the Trustee may from time to time provide the County with alternate wire transfer instructions, which the County shall accept if countersigned by the Administrator.

- (c) To accept and distribute, pursuant to and as required by the second sentence of Section 33492.71(c)(1)(D) of California Health and Safety Code, funds remitted to the County by the Trustee from the Surplus Account established under the Indenture constituting amounts that exceed the amounts necessary to pay debt service on and administrative expenses related to the Bonds, as provided in Section 4.02(f) of the Indenture.
- (d) To recognize the Administrator as the successor-in-interest to FORA following its dissolution, and to follow any Written Request of the Administrator (as defined in the Indenture) delivered to the County following the dissolution of FORA so long as any such Written Request (i) does not contradict the direction to remit funds to the Trustee as provided in paragraph (a) above, or for the County to distribute funds as provided in (c) above; (ii) relates to the activities of the Administrator under the Indenture; and (iii) is otherwise in accordance with applicable laws.

Please be advised that on March 12, 2020, the Superior Court of the State of California for the County of Monterey rendered a Judgement of Validation in favor of FORA in Case No. 20CV000381. In the Judgement of Validation, the Court ordered, adjudged and decreed that, among other matters "The payments to FORA under Health & Safety Code Section 33492.71 subdivisions (c)(1)(A) and (D) are valid payments and shall continue as necessary to repay the Bonds at issue herein; and the Monterey County Auditor-Controller is entitled and obligated to distribute amounts described in Health & Safety Code Section 33492.71, subdivisions (c)(1)(A) and (D), as applicable, to FORA to repay the Bonds until the Bonds have been repaid in full." The Board of Directors of FORA has determined that only the Pledged Tax Revenues are needed to pay amounts owing on the Bonds and otherwise under the Indenture, including any amounts due to the Insurer by reason of provisions relating to the Insurance Policy and the Reserve Policy and any Administrative Expenses, as such capitalized terms are defined in the Indenture.

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It is hereby acknowledged that the County shall have no responsibility whatsoever in respect of the disposition of funds remitted to the Trustee pursuant to paragraph (a) above. It is also acknowledged that the County shall incur no monetary liability in respect of the foregoing directions, and that the sole remedy for any noncompliance by the County with this direction by FORA shall be an action to compel performance.

FORT ORD REUSE AUTHORITY

By: _____

Joshua Metz,
Executive Officer

[Signature Page to FORA Irrevocable Direction to Transfer]

ACKNOWLEDGED AND ACCEPTED:

COUNTY OF MONTEREY

By: _____
Rupa Shah,
Auditor-Controller

COUNTY OF MONTEREY

By: _____
Mary A. Zeeb,
Treasurer-Tax Collector

[Signature Page to FORA Irrevocable Direction to Transfer]

ACKNOWLEDGED:

CITY OF MARINA, CALIFORNIA

By: _____
Layne Long,
City Manager

[Signature Page to FORA Irrevocable Direction to Transfer]

AGREEMENT FOR LEGAL SERVICES

THIS AGREEMENT FOR LEGAL SERVICES is made and entered into this 22nd day of May, 2020, by and between the Fort Ord Reuse Authority (the "Authority"), and Quint & Thimmig LLP, Larkspur, California ("Attorneys").

RECITALS:

WHEREAS, the Authority anticipates the issuance of tax allocation revenue bonds of the Authority pursuant to the California Government Code (the "Bonds") to provide funds to pay cost of building removal and an expected future amount that may be owed by the Authority to CalPERS;

WHEREAS, the Authority has determined that Attorneys are specially trained and experienced to provide services for accomplishing such issuance and Attorneys are willing to provide such services; and

WHEREAS, the public interest, economy and general welfare will be served by this Agreement for Legal Services.

AGREEMENT:

NOW, THEREFORE, IT IS HEREBY AGREED, as follows:

Section 1. Duties of Attorneys. A. Attorneys shall provide legal services, as bond counsel, in connection with the authorization, issuance and consummation of the financing proceedings relating to the Bonds. Such services shall include the following:

- a. Confer and consult with the officers and administrative staff of the Authority as to matters relating to the financing proceedings;
- b. Attend all meetings of the Board of Directors of the Authority and any administrative meetings at which any financing proceedings are to be discussed, deemed necessary by Attorneys for the proper planning of the financing proceedings or when specifically requested by the Executive Officer of the Authority to attend;
- c. Prepare any required resolutions, building removal funding agreements, irrevocable directions, notices and legal documents necessary for the proper conduct of the financing proceedings relating to the Bonds;
- d. Review all financial documents for legal sufficiency;

e. Prepare and provide a signature and no-litigation certificate, an arbitrage certificate and any and all other closing documents required to accompany issuance of the Bonds;

f. Prepare and provide a complete transcript of the conduct of the proceedings necessary to accompany issuance of the Bonds;

g. Subject to the completion of proceedings to the satisfaction of Attorneys, provide the legal opinion of Attorneys that the interest on the Bonds is exempt from California personal income taxation;

h. Subject to the completion of proceedings to the satisfaction of Attorneys, provide the legal opinion of Attorneys approving the legality of the proceedings relating to the Bonds; and

i. Confer and consult with Authority and City of Marina officials and agents with regard to problems which may arise during the servicing and payment of the Bonds.

B. Attorneys shall provide legal services, as disclosure counsel, in connection with the preparation of the official statement to be used in connection with the offering and sale of the Bonds (the "Official Statement"), and a continuing disclosure agreement of the Authority. Such services shall include the following:

(a) Draft the Official Statement (both preliminary and final), with assistance from consultants to the Authority, in connection with the offering of the Bonds;

(b) Confer and consult with the officers and administrative staff of the Authority as to matters relating to the Official Statement;

(c) Attend all meetings at which the Official Statement is to be discussed, deemed necessary by Attorneys for the proper exercise of their due diligence with respect to the Official Statement;

(d) On behalf of the Authority, prepare a continuing disclosure certificate for the Bonds; and

(e) Subject to the completion of proceedings to the satisfaction of Attorneys, provide a letter of Attorneys addressed to the Underwriters of the Bonds and the Authority to the effect that, although Attorneys have not undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, in the course of Attorneys participation in the preparation of the Official Statement Attorneys have been in contact with representatives of the Authority and others concerning the contents of the Official Statement and related matters, and, based upon the foregoing, nothing has come to Attorneys attention to lead

Attorneys to believe that the Official Statement (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion included therein, and information relating to The Depository Trust Company and its book-entry system, and to any bond insurer or its insurance policies, as to which Attorneys need express no view) as of the date of the Official Statement or the date of the closing for the Bonds contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Section 2. Compensation. For the services set forth under Section 1A. above, Attorneys shall be paid a fee of \$100,000.

For the services set forth under Section 1B., Attorneys shall be paid a fee of \$50,000.00.

Payment of any and all of said fees shall be entirely contingent upon the successful issuance of the Bonds, shall be due and payable upon the delivery of the Bonds and shall be payable from the proceeds of the Bonds and not from any other funds of the Authority.

Section 3. Responsibilities of Authority. The Authority shall cooperate with Attorneys and shall furnish Attorneys with certified copies of all proceedings taken by the Authority deemed necessary by Attorneys to render an opinion on the validity of the Bonds. All costs and expenses incurred incidental to the actual issuance and delivery of the Bonds, including the cost and expense of preparing certified copies of proceedings required by Attorneys in connection with the issuance of the Bonds, the cost of all printing and publication costs, fees and expenses of parties other than Attorneys, and all other expenses incurred in connection with the issuance of the Bonds, shall be paid by the Authority from the proceeds of the Bonds or other funds of the Authority and shall not be the responsibility of Attorneys.

Section 4. Non-Legal Services. In performing their services as bond counsel and as disclosure counsel pursuant to this Agreement, it is understood and acknowledged by the Authority that Attorneys will not be providing municipal advisory, investment banking or other similar services. It is expected that the Authority will engage other consultants to provide any such services with respect to the Bonds.

Section 5. Termination of Agreement. This Agreement for Legal Services may be terminated at any time by the Authority, with or without cause, upon written notice to Attorneys. In the event of such termination, all finished and unfinished documents shall, at the option of the Authority, become its property and shall be delivered by Attorneys to the Authority.

Section 6. Amendment or Modification. No amendment, modification, or other alteration of this Agreement shall be valid unless in writing and signed by both of the parties hereto.

Section 7. Entire Agreement. This Agreement contains the entire agreement of the parties hereto. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Officer

QUINT & THIMMIG LLP

By: _____
Paul J. Thimmig,
Partner

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