

**INDENTURE OF TRUST**

**by and between**

**MARIN EMERGENCY RADIO AUTHORITY**

**and**

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

**Dated as of April 1, 2024**

**Relating to:**

**\$ \_\_\_\_\_  
MARIN EMERGENCY RADIO AUTHORITY  
2024 SPECIAL PARCEL TAX REVENUE BONDS  
(MARIN PUBLIC SAFETY AND EMERGENCY RADIO SYSTEM)**

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**TABLE OF CONTENTS**

	<u>Page</u>
<b>ARTICLE I: DEFINITIONS; RULES OF INTERPRETATION .....</b>	<b>2</b>
<b>SECTION 1.01. Definitions .....</b>	<b>2</b>
<b>SECTION 1.02. Interpretation .....</b>	<b>11</b>
<b>SECTION 1.03. Indenture Constitutes Contract.....</b>	<b>11</b>
<b>ARTICLE II: THE BONDS.....</b>	<b>12</b>
<b>SECTION 2.01. Authorization of Bonds.....</b>	<b>12</b>
<b>SECTION 2.02. Terms of the Bonds .....</b>	<b>12</b>
<b>SECTION 2.03. Transfer and Exchange of Bonds .....</b>	<b>13</b>
<b>SECTION 2.04. Book-Entry System .....</b>	<b>13</b>
<b>SECTION 2.05. Form and Execution of Bonds .....</b>	<b>15</b>
<b>SECTION 2.06. Authentication of Bonds .....</b>	<b>15</b>
<b>SECTION 2.07. Temporary Bonds .....</b>	<b>16</b>
<b>SECTION 2.08. Bonds Mutilated, Lost, Destroyed or Stolen.....</b>	<b>16</b>
<b>SECTION 2.09. Registration Books.....</b>	<b>16</b>
<b>SECTION 2.10. Additional Contracts and Parity Bonds.....</b>	<b>16</b>
<b>ARTICLE III: ISSUANCE OF BONDS; APPLICATION OF PROCEEDS .....</b>	<b>17</b>
<b>SECTION 3.01. Issuance of the Bonds.....</b>	<b>17</b>
<b>SECTION 3.02. Application of Proceeds of the Bonds .....</b>	<b>17</b>
<b>SECTION 3.03. Validity of Bonds.....</b>	<b>18</b>
<b>ARTICLE IV: REDEMPTION OF BONDS.....</b>	<b>18</b>
<b>SECTION 4.01. Redemption.....</b>	<b>18</b>
<b>ARTICLE V: SECURITY OF BONDS; FLOW OF FUNDS;     INVESTMENTS .....</b>	<b>20</b>

<b>SECTION 5.01. Pledge and Assignment; Revenue Fund</b> .....	20
<b>SECTION 5.02. Application of Revenue Fund</b> .....	21
<b>SECTION 5.03. Application of Interest Account</b> .....	21
<b>SECTION 5.04. Application of Principal Account</b> .....	21
<b>SECTION 5.05. Reserved</b> .....	<b>Error! Bookmark not defined.</b>
<b>SECTION 5.06. Application of Surplus Account</b> .....	22
<b>SECTION 5.07. [Reserved]</b> .....	22
<b>SECTION 5.08. Use of Money in the Delivery Costs Fund</b> .....	22
<b>SECTION 5.09. Reserve Fund</b> .....	22
<b>SECTION 5.10. Establishment and Maintenance of Project Fund</b> .....	24
<b>SECTION 5.11. Investment of Moneys</b> .....	25
<b>SECTION 5.12. Valuation and Disposition of Investments</b> .....	26
<b>ARTICLE VI: COVENANTS</b> .....	26
<b>SECTION 6.01. Punctual Payment</b> .....	26
<b>SECTION 6.02. Extension of Payment of Bonds</b> .....	26
<b>SECTION 6.03. Against Encumbrances</b> .....	26
<b>SECTION 6.04. Power to Issue Bonds and Make Pledge and Assignment</b> .....	27
<b>SECTION 6.05. Accounting Records and Financial Statements</b> .....	27
<b>SECTION 6.06. Waiver of Laws</b> .....	27
<b>SECTION 6.07. Covenants With Respect to the Financing Agreement</b> .....	27
<b>SECTION 6.08. Tax Covenants Relating to Bonds</b> .....	28
<b>SECTION 6.09. Further Assurances</b> .....	28
<b>SECTION 6.10. Protection of Security and Rights of Bond Owners</b> .....	28
<b>SECTION 6.11. [Reserved.]</b> .....	28

<b>SECTION 6.12. Rebate of Excess Investment Earnings to United States</b> .....	28
<b>ARTICLE VII: EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS</b> .....	30
<b>SECTION 7.01. Events of Default</b> .....	30
<b>SECTION 7.02. Notice of Event of Default</b> .....	30
<b>SECTION 7.03. Remedies</b> .....	30
<b>SECTION 7.04. Application of Revenues and Other Funds After Default</b> .....	31
<b>SECTION 7.05. Trustee to Represent Bond Owners</b> .....	31
<b>SECTION 7.06. Bond Owners’ Direction of Proceedings</b> .....	32
<b>SECTION 7.07. Limitation on Bond Owners’ Right to Sue</b> .....	32
<b>SECTION 7.08. Absolute Obligation of Authority</b> .....	33
<b>SECTION 7.09. Termination of Proceedings</b> .....	33
<b>SECTION 7.10. Remedies Not Exclusive</b> .....	33
<b>SECTION 7.11. No Waiver of Default</b> .....	33
<b>ARTICLE VIII: THE TRUSTEE</b> .....	33
<b>SECTION 8.01. Trustee; Duties, Removal and Resignation</b> .....	33
<b>SECTION 8.02. Compensation of the Trustee</b> .....	34
<b>SECTION 8.03. Protection to Trustee</b> .....	35
<b>SECTION 8.04. Payment Limited</b> .....	37
<b>SECTION 8.05. Merger or Consolidation</b> .....	37
<b>SECTION 8.06. Funds and Accounts</b> .....	37
<b>ARTICLE IX: MODIFICATION OR AMENDMENT HEREOF</b> .....	37
<b>SECTION 9.01. Amendments Permitted</b> .....	37
<b>SECTION 9.02. Effect of Supplemental Indenture</b> .....	39

SECTION 9.03. Endorsement of Bonds; Preparation of New Bonds .....	39
SECTION 9.04. Amendment of Particular Bonds .....	39
<b>ARTICLE X: DEFEASANCE .....</b>	<b>39</b>
SECTION 10.01. Discharge of Indenture .....	39
SECTION 10.02. Discharge of Liability on Bonds .....	40
SECTION 10.03. Deposit of Money or Securities with Trustee .....	40
SECTION 10.04. Payment of Bonds After Discharge of Indenture .....	41
<b>ARTICLE XI: MISCELLANEOUS .....</b>	<b>41</b>
SECTION 11.01. Liability of Authority Limited to Revenues.....	41
SECTION 11.02. Successor Is Deemed Included in All References to Predecessor .....	42
SECTION 11.03. Limitation of Rights .....	42
SECTION 11.04. Waiver of Notice; Requirement of Mailed Notice.....	42
SECTION 11.05. Destruction of Bonds.....	42
SECTION 11.06. Severability of Invalid Provisions.....	42
SECTION 11.07. Notices .....	43
SECTION 11.08. Reserve Policy Provisions.....	43
SECTION 11.09. Evidence of Rights of Bond Owners.....	46
SECTION 11.10. Disqualified Bonds .....	46
SECTION 11.11. Money Held for Particular Bonds .....	46
SECTION 11.12. Funds and Accounts.....	47
SECTION 11.13. Payment on Non-Business Days.....	47
SECTION 11.14. Waiver of Personal Liability .....	47
SECTION 11.15. Execution in Several Counterparts .....	47
SECTION 11.16. Governing Laws .....	47
<b>EXHIBIT A - FORM OF BOND.....</b>	<b>A-1</b>



## **INDENTURE OF TRUST**

This INDENTURE OF TRUST (this “Indenture”) dated as of April 1, 2024, is by and between the MARIN EMERGENCY RADIO AUTHORITY, a joint exercise of powers authority organized and existing under and by virtue of the laws of the State of California (the “Authority”), and U.S. Bank Trust Company, National Association, a national banking association organized and existing under and by virtue of the laws of the United States and having a corporate trust office in San Francisco, California, as trustee (the “Trustee”).

### **WITNESSETH:**

**WHEREAS**, the Authority is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act (the “Bond Law”) to borrow money for the purpose of paying and refinancing the cost of public capital improvements within the State of California, including an emergency radio system (the “Project”); and

**WHEREAS**, in November 2014 the Board of Supervisors of the County of Marin (the “County”) placed on the ballot Measure A: Marin County Emergency Communications and 911 Response Measure which authorized a special parcel tax levy to be used to finance the Project; and

**WHEREAS**, Measure A was approved by 67.14% of the voters of the County; and

**WHEREAS**, the Authority at this time desires to issue its 2024 Special Parcel Tax Revenue Bonds (Marin Public Safety and Emergency Radio System) (the “Bonds”) in the aggregate principal amount of \$\_\_\_\_\_, all pursuant to and secured by this Indenture in the manner provided herein, for the purpose of providing money to acquire the Project; and

**WHEREAS**, the Authority has entered into a financing agreement (the “Financing Agreement”), dated as of April 1, 2024, with the County, whereby the County has agreed to contribute Parcel Tax Revenues (defined below) to the Authority to provide funds to pay, among other things, the debt service on the Bonds (the “Parcel Tax Payments”); and

**WHEREAS**, the Bonds are to be secured by a pledge of and first lien on the Revenues to the extent received by the Authority from the County pursuant to the Financing Agreement, which Revenues are anticipated to be sufficient in time and amount to pay the principal of and interest on the Bonds; and

**WHEREAS**, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the payment of the principal thereof and interest thereon, the Authority has 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, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized;

**NOW, THEREFORE, THIS INDENTURE WITNESSETH**, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and so 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 whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:

## **ARTICLE I**

### **DEFINITIONS; RULES OF INTERPRETATION**

**SECTION 1.01. Definitions.** Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Acquisition,” “Acquire” or “Acquired” means, with respect to the Project, the acquisition, financing or construction of the Project.

“Acquisition Costs” means, with respect to the Project, the contract price paid or to be paid to the Contractors therefor upon modification, repair, improvement, acquisition, construction, installation or delivery of any portion of the Project and related equipment, if any, in accordance with the purchase order or contract therefor. Acquisition Costs include the costs of site preparation necessary for the installation of the Project, as well as the administrative, engineering, risk management, legal, financial and other costs incurred by the Authority, the Members and the Contractors in connection with the acquisition, construction, delivery and installation of the Project.

“Acquisition Date” means the date when a Certificate of Completion is delivered to the Trustee.

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California.

“Agreement” means that certain Joint Exercise of Powers Agreement, dated as of February 28, 1998, establishing the Authority, as originally executed or as it may from time to time be supplemented, modified or amended as provided therein.



“Authority” means the Marin Emergency Radio Authority, a joint powers authority organized and existing under the Act and any successor thereto.

“Authorized Representative” means: (a) with respect to the Authority, its President, Vice President, Executive Officer or Secretary, or any other person designated as an Authorized Representative of the Authority by a Written Certificate of the Authority signed by its President and filed with the Trustee; and (b) with respect to the Trustee, the Senior Vice President, any Vice President, any Assistant Vice President or any Trust Officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform such act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the by-laws of the Trustee.

“Bond Counsel” means Kutak Rock LLP, Irvine, California, and its successors; or any other firm of nationally recognized bond counsel selected by the Authority.

“Bond Law” means Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended from time to time.

“Bonds” means the Marin Emergency Radio Authority 2024 Special Parcel Tax Revenue Bonds (Marin Public Safety and Emergency Radio System) issued in the aggregate principal amount of \$\_\_\_\_\_ and authorized by, and at any time Outstanding pursuant to, this Indenture.

“Business Day” means a day which is not a Saturday, Sunday or legal holiday on which banking institutions in the State of California, or in any state in which the Office of the Trustee is located, are closed.

“Certificate of Completion” means a certificate of an Authorized Representative of the Authority certifying that all equipment and other property constituting the Project has been acquired, constructed, installed and accepted by the Authority, and that all Acquisition Costs for the Project have been paid.

“Closing Date” means the date on which the Bonds are delivered to the Original Purchaser, being April \_\_, 2024.

“Continuing Disclosure Agreement” means the Authority Continuing Disclosure Agreement, dated as of April 1, 2024, by and between the Authority and the dissemination agent named therein, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Contractors” means the contractors or vendors from whom the Authority has ordered or caused to be ordered, or with whom the Authority has contracted or caused to be contracted for the acquisition, refinancing, repair, improvements or modification of the Project.

“Contracts” means all contracts (including installment purchase agreements, leases and lease/purchase agreements) of the Authority authorized and executed by the Authority under and pursuant to applicable law, the payments of which are payable from Revenues on a parity with the payment of Debt Service on the Bonds.

“County” means the County of Marin.

[“Debt Service Reserve Agreement” means the Debt Service Reserve Agreement, dated \_\_\_\_\_, 2024, between the Authority and the Reserve Insurer.]

“Debt Service” means, for any Fiscal Year, the sum of (1) the interest falling due during such Fiscal Year on all Bonds, assuming that all Outstanding serial Bonds are retired as scheduled and that all Outstanding Term Bonds are prepaid from sinking fund payments as scheduled, (2) the principal amount of all serial Bonds falling due by their terms during such Fiscal Year, (3) the minimum amount of Term Bonds required to be paid or called and redeemed during such Fiscal Year, together with the redemption premiums, if any, thereon, (4) the payments and the interest thereon under Parity Bonds or Contracts related to certificates of participation or other instruments which are Outstanding under the documents or agreements pursuant to which they were executed and delivered, required to be paid during such Fiscal Year and (5) amounts required to increase the Reserve Fund to the Reserve Requirement required to be paid hereunder during such Fiscal Year; provided that, whenever interest as described herein accrues at other than a fixed rate, such interest shall be assumed to be a rate equal to the greater of (i) the actual rate on the date of calculation, or if the Parity Bond or Contract is not yet outstanding, the initial rate (if established and binding), (ii) if the Parity Bond or Contract has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Parity Bond or Contract is excludable from gross income under the applicable provisions of the Internal Revenue Code, the most recently published The Bond Buyer Bond Revenue Index (or comparable index if no longer published) plus fifty (50) basis points, or (y) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities, plus fifty (50) basis points.

“Defeasance Obligations” means (a) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America, (b) obligations fully and unconditionally guaranteed as to timely payment of the interest and principal by the United States of America, (c) obligations of any agency or instrumentality of the United States of America as to which the timely payment of the interest on and the principal of such obligations is backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

“Delivery Costs” means all items of expense directly or indirectly payable by or reimbursable to the Authority or the Members relating to the financing or refinancing of the Project, including but not limited to filing costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee and its counsel, financing discounts, insurance premiums and outside legal fees of the insurer relating thereto, if any, legal fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, title insurance premiums, transportation and safekeeping of Bonds and charges and fees in connection with the foregoing.

“Delivery Costs Fund” means the fund of that name established by Section 3.02 hereof.

“Depository” means DTC or another recognized securities depository selected by the Authority which maintains a book-entry system for the Bonds.

“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.

“Event of Default” means any of the events specified in Section 7.01.

“Financing Agreement” means that certain Financing Agreement by and between the Authority and the County, dated as of April 1, 2024, regarding contribution of Parcel Tax Revenues by the County to the Trustee to pay debt service on the Bonds and pay other costs of the Authority relating to the Bonds and as otherwise required by the Indenture.

“Fiscal Year” means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of the Authority designated in a Written Certificate of the Authority delivered to the Trustee.

“Fitch” means Fitch Ratings, Ltd., its successors and assigns or, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a statistical rating organization, any other nationally recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Indenture” means this Indenture, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

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

“Information Services” means in accordance with then-current guidelines of the Securities and Exchange Commission, one or more services as the Authority may designate in a certificate of the Authority delivered to the Trustee.

“Interest Account” means the account by that name established and held by the Trustee pursuant to Section 5.02.

“Interest Payment Date” means February 1 and August 1 in each year, commencing [August 1, 2024], so long as any Bonds remain Outstanding.

“Late Payment Rate” means the lesser of: (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. Interest at the Late Payment Rate on any amount owing to the Reserve Insurer shall be computed on the basis of the actual number of days elapsed in a year of 360 days. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as the Reserve Insurer, in its sole and absolute discretion, shall designate.

“Measure A” means the Ordinance of the County of Marin to Authorize the Levy of a Special Parcel Tax to Finance Public Safety Services, approved by the voters of the County of Marin at the November 4, 2014 election, acknowledged by Board of Supervisors Resolution No. 2014-113.

“Members” means the public agencies which are signatories to the Agreement.

“Moody’s” means Moody’s Investors Services, Inc., its successors and assigns.

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

“Office” means, with respect to the Trustee, the corporate trust office of the Trustee in San Francisco, California, or at such other or additional offices as may be specified by the Trustee in writing to the Authority, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted.

“Original Purchaser” means \_\_\_\_\_ as the original purchaser of the Bonds.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.10) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.02, including Bonds (or portions of Bonds) disqualified under Section 11.10; and (c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

“Owner,” whenever used herein with respect to a Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books.

“Parcel Tax” means the special parcel tax on each taxable parcel of real property in the County, which was approved by at least two-thirds of the voters of the County at the November 4, 2014 election.

“Parcel Tax Payments” means the payments by the County described in Section 3.02 of the Financing Agreement.

“Parcel Tax Payment Date” shall mean each December 15, April 15, June 15 and July 31.

“Parcel Tax Revenues” means the annual amounts collected by the County on behalf of the Authority from the Parcel Tax.

“Parity Bonds” means the 2016 Bonds and Contracts, indebtedness or other obligations hereafter issued or incurred and secured by a pledge of and lien on Revenues equal to that of payment of Debt Service on the Bonds.

“Permitted Investments” mean any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein (the Trustee is entitled to conclusively rely upon any direction of the Authority as a certification that such investment constitutes a Permitted Investment):

1. Direct 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, but excluding CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

2. 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 agency itself):

Farmers Home Administration (FmHA)  
Certificates of beneficial ownership

Federal Housing Administration Debentures (FHA)

General Services Administration  
Participation certificates

Government National Mortgage Association (GNMA or “Ginnie Mae”)  
GNMA – guaranteed mortgage-backed bonds  
GNMA – guaranteed pass-through obligations (participation certificates)  
(not acceptable for certain cash-flow sensitive issues.)

U.S. Maritime Administration  
Guaranteed Title XI financing

U.S. Department of Housing and Urban Development (HUD)

Project Notes

Local District Bonds

New Communities Debentures – U.S. Government guaranteed debentures

U.S. Public Housing Notes and Bonds – U.S. Government guaranteed

public housing notes and bonds

3. 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 are only permitted if they have been stripped by the agency itself):

Federal Home Loan Bank Water System

Senior debt obligations

Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”)

Participation certificates

Senior debt obligations

Federal National Mortgage Association (FNMA or “Fannie Mae”)

Mortgage-backed securities and senior debt obligations

Resolution Funding Corp. (REFCORP) obligations

Farm Credit Water System

Consolidated system-wide bonds and notes

Federal Agriculture Mortgage Association

Tennessee Valley District

4. 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 “AAAm-G,” “AAA-m,” or “AA-m” and if rated by Moody’s rated “Aaa,” “Aa1” or “Aa2,” including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide investment advisory or other management services.

5. Certificates of deposit secured at all times by collateral described in 1 and/or 2 above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks including the Trustee and its affiliates. The collateral must be held by a third party and the Owners must have a perfected first security interest in the collateral.

6. Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.

7. Investment agreements, including GIC’s, forward purchase agreements and flexible repurchase agreements.

8. Commercial paper rated, at the time of purchase, “Prime -1” by Moody’s and “A -1” or better by S&P.

9. 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.

10. Federal funds or bankers acceptances with a maximum term of one year 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+” by S&P.

11. Repurchase agreements for 30 days or less must follow the following criteria:

(i) Repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee (buyer/lender), and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date.

12. Medium-term Notes: Corporate notes issued by corporations organized and operating within the United States with a rating of “AAA” or higher at the time of purchase by a nationally recognized rating service and with a maximum remaining maturity of no more than three (3) years after the date of purchase.

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

14. The Marin County Pooled Investment Fund.

15. Shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the Government Code of California, as it may be amended.

“Principal Account” means the account by that name established and held by the Trustee pursuant to Section 5.02.

“Project” means that certain emergency radio system financed with the proceeds of the Bonds, along with any improvements thereto.

“Project Fund” means the fund by that name established in Section 5.10 hereof.

“Record Date” means: (a) the fifteenth (15th) calendar day of the month preceding each Interest Payment Date, whether or not such day is a Business Day, and (b) any date established by the Trustee pursuant to Section 2.02(b) as a special Record Date for the payment of defaulted interest on the Bonds, if any.

“Redemption Account” means the account by that name established and held by the Trustee pursuant to Section 5.05.

“Redemption Price” means the aggregate amount of principal of and premium (if any) on the Bonds upon the redemption thereof pursuant to Section 4.01.

“Registration Books” means the records maintained by the Trustee for the registration of ownership and registration of transfer of the Bonds pursuant to Section 2.09.

“Reserve Fund” means the fund by that name established in Section 5.09 hereof.

[“Reserve Insurer” means \_\_\_\_\_, or any successor thereto or assignee thereof.]

[“Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy, and any Endorsement thereto, issued by the Reserve Insurer under which claims may be made in order to provide moneys in the Reserve Fund available for the purposes thereof.]

“Reserve Requirement” means, as of any date of calculation, the lesser of (i) 10% of the principal amount of the Bonds Outstanding, (ii) an amount equal to maximum annual Debt Service payable by the Authority between the date of such calculation and the final maturity of the Bonds, or (iii) 125% of average annual Debt Service payable hereunder.

“Revenues” means during any fiscal period the sum of the following amounts for such fiscal period:

- (1) all amounts payable by the County pursuant to the Financing Agreement;
- (2) all Parcel Tax Revenues pledged to the Authority and the Trustee by the County pursuant to the Financing Agreement, including the pledge of and security interest in such Parcel Tax Revenues granted to the Authority and the Trustee; and
- (3) all investment earnings on amounts held by the Trustee in the funds and accounts hereunder other than amounts deposited to the Rebate Fund.

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

“Securities Depositories” mean The Depository Trust Company, 55 Water Street, 50<sup>th</sup> Floor, New York, New York 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in writing to the Trustee.

“Surplus Account” means the account by that name established and held by the Trustee pursuant to Section 5.06.

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the



Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official guidance published, under the Tax Code.

“Trustee” means U.S. Bank Trust Company, National Association or any successor thereto acting as Trustee pursuant hereto.

“Written Certificate” and “Written Request” of the Authority means a written certificate or written request signed in the name of the Authority by its Authorized Representative. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“2016 Bonds” means the Marin Emergency Radio Authority 2016 Special Parcel Tax Revenue Bonds (Marin Public Safety and Emergency Radio System).

“2016 Indenture” means the Indenture of Trust dated as of April 1, 2016, by and between the Authority and the Trustee.

#### **SECTION 1.02. Interpretation.**

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

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

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

**SECTION 1.03. Indenture Constitutes Contract.** In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Owners of the Bonds. The pledge made in this Indenture and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Indenture.

**ARTICLE II**

**THE BONDS**

**SECTION 2.01. Authorization of Bonds.** The Authority hereby authorizes the issuance of the Bonds hereunder and under the Bond Law, which shall constitute special obligations of the Authority payable solely from the Revenues and other amounts pledged hereunder, for the purpose of providing funds for the Acquisition of the Project. The Bonds shall be designated the “Marin Emergency Radio Authority 2024 Special Parcel Tax Revenue Bonds (Marin Public Safety and Emergency Radio System)” and shall be issued in the aggregate principal amount of \_\_\_\_\_ Million Dollars (\$\_\_\_\_\_).

**SECTION 2.02. Terms of the Bonds.**

(a) The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, so long as no Bond shall have more than one maturity date. The Bonds shall be dated as of the Closing Date, shall mature on August 1 in each of the years and in the amounts, and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rates, as follows:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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(b) Interest on the Bonds shall be payable from the Interest Payment Date next preceding the date of authentication thereof unless (i) a Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it shall bear interest from such Interest Payment Date, (ii) a Bond is authenticated on or before the first Record Date, in which event interest thereon shall be payable from the Closing Date, or (iii) interest on any Bond is in default as of the date of authentication thereof, in which event interest thereon shall be payable from the date to which interest has been paid in full. Interest shall be paid in lawful money of the United States of America on each Interest Payment Date to the persons in whose names the ownership of the Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Interest on any Bond which is not punctually paid or duly provided for on any Interest Payment Date shall be payable to the person in whose name the ownership of such Bond is registered on the Registration Books at the close of business on a special Record Date to be established by the

Trustee for the payment of such defaulted interest, notice of which shall be given to such Owner not less than ten (10) days prior to such special Record Date. Interest shall be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Bond Owners at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date; or upon the written request filed with the Trustee prior to the Record Date preceding an Interest Payment Date by an Owner of \$1,000,000 or more in aggregate principal amount of outstanding Bonds, interest thereon shall be paid on such Interest Payment Date by wire transfer in immediately available funds to the account designated by such Owner in such written request.

(c) The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the Office of the Trustee. Payment of principal on any Bond shall be made only upon presentation and surrender of such Bond at the Office of the Trustee.

(d) The Bonds shall be subject to redemption as provided in Article IV.

### **SECTION 2.03. Transfer and Exchange of Bonds.**

(a) Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds for a like aggregate principal amount of the same series, in any authorized denomination. The Trustee shall require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

(b) Exchange of Bonds. The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of the same series and maturity, of other authorized denominations. The Authority may charge a reasonable sum for each new Bond issued upon any exchange (except in the case of any exchange of temporary Bonds for definitive Bonds and except in the case of the first exchange of any definitive Bond in the form in which it is originally issued) and the Trustee shall require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

### **SECTION 2.04. Book-Entry System.**

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond (which may be typewritten) for each maturity. Upon initial delivery, the ownership of each such Bond shall be registered on the Bond Register kept by the Trustee 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.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, the Authority and the Trustee shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Authority holds an interest

in the Bonds. Without limiting the generality of the immediately preceding sentence, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Bond Register, or 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 Authority elects to redeem the Bond in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Bond Register, 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 and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bonds for the purpose of payment of principal of, premium, if any, and interest on such Bonds for the purpose of giving notices of redemption and other matters with respect to such Bonds, for the purpose of registering transfers of ownership of such Bonds, and for all other purposes whatsoever. The Trustee shall pay the principal of and the interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than an Owner 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 of the Authority shall promptly, but in no event later than two (2) Business Days after receipt thereof, 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, to the extent it has not already done so the Authority shall execute and deliver to such Depository a letter (the "Letter of Representations") representing such matters as shall be necessary to so qualify the Bonds. 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 or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. In addition to the execution and delivery of such letter, the Authority 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 Authority determines to terminate the Depository as such, then the Authority shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Authority 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 in the Letter of Representations to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Authority fails to identify another qualified securities

depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Bond Register 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 Section 2.04 hereof.

In the event the Authority determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain Bonds, the Authority may notify the Depository System Participants of the availability of such Bond through the Depository. In such event, the Trustee will, at the expense of the Authority, authenticate, transfer and exchange Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository so requests, the Authority shall cooperate with the Depository in taking appropriate action (i) to make available one or more separate Bonds evidencing the Bonds to any Depository System Participant having Bonds credited to its account with the Depository, or (ii) to arrange for another qualified securities depository to maintain custody of a single Bond evidencing such Bonds, all at the Authority's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of the 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 Bonds and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed in writing by the Depository.

**SECTION 2.05. Form and Execution of Bonds.** The Bonds shall be in substantially the form set forth in Exhibit A hereto. The Bonds shall be executed in the name and on behalf of the Authority with the manual or facsimile signature of its President or Executive Officer (or any duly authorized officer of the Authority) attested by the manual or facsimile signature of its Secretary. The Authority may, but is not required to, affix a seal thereon, which seal may be in the form of a facsimile of the Authority's seal and may be reproduced, imprinted or impressed on the Bonds. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the Authority before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee, or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those who signed and attested the same had continued to be such officers of the Authority. Alternatively, any Bonds may be signed and attested on behalf of the Authority by a person or persons as an officer or officers of the Authority at the actual date of execution of such Bonds and such signature shall constitute the proper execution of such Bonds by officers of the Authority although at the nominal date of such Bonds any such person shall not have been such officer of the Authority.

**SECTION 2.06. Authentication of Bonds.** Only such of the Bonds as shall bear thereon a certificate of authentication substantially in the form set forth in Exhibit A hereto, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of or on behalf of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

**SECTION 2.07. Temporary Bonds.** The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such authorized denominations as may be determined by the Authority, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds it will execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, at the 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. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

**SECTION 2.08. Bonds Mutilated, Lost, Destroyed or Stolen.** If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and series 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 and delivered to, or upon the order of, the Authority. 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 and indemnity satisfactory to the Trustee shall be given, the Authority, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in replacement for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall be about to mature, instead of issuing a replacement Bond, the Trustee may pay the same without surrender thereof). The Authority may require payment by the Owner of a sum not exceeding the actual cost of preparing each replacement Bond issued under this Section and of the expenses which may be incurred by the Authority and the Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original 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 entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

**SECTION 2.09. Registration Books.** The Trustee will keep or cause to be kept, at the Office of the Trustee, sufficient records for the registration and transfer of ownership of the Bonds, which shall be open to inspection during regular business hours and upon reasonable notice by the Authority; 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 such records, the ownership of the Bonds as hereinbefore provided.

**SECTION 2.10. Additional Contracts and Parity Bonds.** In addition to the Bonds, the Authority may issue Parity Bonds payable from all or a portion of Revenues as and to the extent provided in this Indenture and secured by the pledge of such Revenues made under this Indenture equally and ratably with the Bonds. The Authority may issue, and the Trustee shall authenticate and deliver to the purchasers thereof, Parity Bonds in such principal amount as shall be determined by the Authority, subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Parity Bonds:

(a) The Financing Agreement shall be amended or supplemented as permitted therein in order to provide funds for the payment of the principal of, redemption premium, if any and interest on the Parity Bonds, as well as any costs of the Authority relating to the Parity Bonds;

(b) No Event of Default shall have occurred and then be continuing;

(c) Revenues, calculated pursuant to generally accepted accounting principles, as shown by the audited financial statements of the Authority for the most recent Fiscal Year, shall have amounted to at least 1.10 times the maximum annual debt service on the Outstanding Bonds, the Parity Bonds, and on all other Outstanding Parity Bonds coming due and payable in the most recent Fiscal Year;

(d) Interest on such Parity Bonds shall be payable on February 1 and August 1 in each year of the term of such Parity Bonds, and the principal of such Parity Bonds shall be payable on August 1 in any year, as determined by the Authority, in which principal is payable;

(e) An opinion of Bond Counsel delivered to the Trustee that the delivery of the Parity Bonds has been duly authorized by the Authority in accordance with this Indenture; that the Parity Bonds will be legally valid and binding limited obligations of the Authority; and that the issuance of such Parity Bonds will not in and of itself impair the exclusion for federal income tax purposes of interest on any Outstanding Bonds; and

(f) The Authority shall deliver to the Trustee a Written Certificate of the Authority certifying that the conditions precedent to the issuance of such Parity Bonds set forth herein have been satisfied.

Notwithstanding anything in this Indenture to the contrary, the Authority may issue obligations payable from Revenues on a subordinate basis to payment of Debt Service on the Bonds, provided the Authority complies with paragraphs (a), (b), (d), (e) and (f) above.

### ARTICLE III

#### ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

**SECTION 3.01. Issuance of the Bonds.** Concurrent with the execution and delivery of this Indenture, the Authority shall execute and the Trustee shall authenticate and deliver the Bonds to the Original Purchaser thereof in the aggregate principal amount set forth in Section 2.01 hereof.

**SECTION 3.02. Application of Proceeds of the Bonds.** On the Closing Date the Trustee shall receive the purchase price of the Bonds of \$\_\_\_\_\_ (calculated as the principal amount of the Bonds, plus net original issue premium of \$\_\_\_\_\_, and less the underwriter discount of \$\_\_\_\_\_). On the Closing Date the Trustee shall deposit \$\_\_\_\_\_ of the proceeds of the Bonds in the Project Fund. The remaining proceeds received from the sale of the Bonds shall be deposited by the Trustee in the Delivery Costs Fund, which fund is hereby established and shall be held hereunder.

**SECTION 3.03. Validity of Bonds.** The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Authority or the Trustee with respect to or in connection with the Acquisition of the Project. The recital contained in the Bonds that the same are issued pursuant to the constitution and laws of the State of California shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

## ARTICLE IV

### REDEMPTION OF BONDS

#### SECTION 4.01. Redemption.

(a) Optional Redemption. The Bonds maturing on or before August 1, 2034, are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on August 1, 2035, are subject to optional redemption on any date on or after August 1, 2034, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without a premium.

(b) Purchase in Lieu of Redemption. In lieu, or partially in lieu, of such call and redemption, moneys of the Authority may be used to purchase Outstanding Bonds in the manner hereinafter provided. Purchases of Outstanding Bonds may be made by the Authority prior to the selection of Bonds for redemption by the Trustee, at public or private sale as and when and at such prices as the Authority may in its discretion determine but only at prices (including brokerage or other expenses) of not more than par plus applicable accrued interest and redemption premiums, and any accrued interest payable upon the purchase of Bonds may be paid from the amount in the Revenue Fund for payment of interest on the following Interest Payment Date.

**SECTION 4.02. Notice of Redemption.** When redemption is authorized or required pursuant to this Article, the Trustee shall give notice (the "Redemption Notice"), at the expense of the Authority, of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed; (b) the date of redemption; (c) the place or places where the redemption will be made, including the name and address of any paying agent; (d) the redemption price; (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed; (f) if less than all the Bonds of a maturity are to be redeemed, the certificate numbers of the Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the amount of such Bond to be redeemed; and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with interest accrued to the redemption date, and that from and after such date interest with respect thereto shall cease to accrue and be payable. Such notice in respect of optional redemption shall not be provided unless there has been deposited with the Trustee funds sufficient to pay such redemption price (except in the case of redemption resulting from the issuance of refunding obligations).



Subject to the provisions stated above, the Trustee shall take the following actions with respect to such Redemption Notice:

(a) At least thirty (30), but not more than forty-five (45), days prior to the redemption date, the Trustee shall cause Redemption Notices to be given to the respective Owners of Bonds designated for redemption by first class mail, postage redeemed, at their addresses appearing on the Bond Register maintained by the Trustee.

(b) At least thirty (30) days prior to the redemption date, such Redemption Notice shall be given to each of the Securities Depositories.

(c) At least thirty (30) days prior to the redemption date, such Redemption Notice shall be given to the Information Services selected by the Authority.

Neither failure to receive any Redemption Notice nor any defect in such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of such Bonds. Each check or other payment method used by the Trustee for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

The Authority shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for prepayment for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Authority and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

**SECTION 4.03. Selection of Bonds for Redemption.** Whenever provision is made in this Indenture for the redemption of less than all of the Bonds of the same maturity, the Trustee shall select the Bonds of such maturity to be redeemed from all Bonds of such maturity not previously called for redemption, by lot in any manner which the Trustee in its sole discretion shall deem appropriate. For purposes of such selection, all Bonds shall be deemed to be comprised of separate \$5,000 denominations and such separate denominations shall be treated as separate Bonds which may be separately redeemed.

**SECTION 4.04. Partial Redemption of Bonds.** Upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount representing the unredeemed portion of the Bonds surrendered.

**SECTION 4.05. Effect of Notice of Redemption.** Notice having been mailed as aforesaid, and moneys for the redemption (including the interest to the applicable date fixed for redemption and including any applicable premium), having been set aside in the Redemption Account or any of the accounts therein, the Bonds shall become due and payable on said date, and, upon presentation and surrender thereof at the Office of the Trustee, said Bonds shall be paid at the Redemption Price thereof, together with interest accrued and unpaid to said date.

If, on said date fixed for redemption, moneys for the redemption of all the Bonds to be redeemed, together with interest to said date, shall be held by the Trustee so as to be available therefor on such date, and, if notice of redemption thereof shall have been mailed as aforesaid and not canceled, then, from and after said date, interest on said Bonds shall cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Article IV shall be canceled upon surrender thereof and delivered to the Authority.

## **ARTICLE V**

### **SECURITY OF BONDS; FLOW OF FUNDS; INVESTMENTS**

#### **SECTION 5.01. Pledge and Assignment; Revenue Fund.**

(a) Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues received by the Authority and any other amounts held in any fund or account established pursuant to this Indenture are hereby pledged by the Authority to secure the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of this Indenture. Said pledge shall constitute a first lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery of the Bonds by the Trustee, upon the physical delivery thereof.

(b) The Authority hereby transfers in trust and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues. The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority and shall forthwith be paid by the Authority to the Trustee. The Trustee also shall be entitled to and may take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority with respect to the Financing Agreement, including, without limitation, the obligation of the County to pay the Parcel Tax Payments, and to perform all other covenants under the Financing Agreement.

(c) All Revenues shall be promptly deposited by the Trustee upon receipt thereof in the Revenue Fund which the Trustee has established under the 2016 Indenture for the 2016 Bonds. At the time of which no 2016 Bonds remain outstanding, the Trustee shall establish, maintain and hold in trust a Revenue Fund for the Bonds. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture. Such amount shall be net of any surplus amounts on deposit in the Revenue Fund which are to be applied to payment of principal of and interest on the Bonds as provided in Section 5.02 hereof.

(d) To the extent the Trustee has not received a Parcel Tax Payment from the County on the applicable Parcel Tax Payment Date, the Trustee shall notify the Authority in writing of the amount of such deficiency. Upon receipt from the Authority of such deficiency, the Trustee shall deposit such amounts in the Revenue Fund.

**SECTION 5.02. Application of Revenue Fund.** The Trustee shall transfer from the Revenue Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain in trust separate and distinct from the other funds and accounts established hereunder), the following amounts at the following times in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) On each Parcel Tax Payment Date or redemption date, commencing on or about [June 15, 2024], the Trustee shall deposit in the Interest Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Interest Account to equal the amount then coming due on the next Interest Payment Date. The Trustee shall also deposit in the Interest Account any other moneys received by it from the Authority and designated in writing by the Authority for deposit in the Interest Account.

(b) On or about April 15 of each year, commencing on or about [April 15, 2025], the Trustee shall deposit in the Principal Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Principal Account to equal the aggregate amount of principal then coming due and payable on the Bonds. On or about June 15 of each year, commencing on or about [June 15, 2025], the Trustee shall deposit in the Principal Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Principal Account to equal the aggregate amount of principal then coming due and payable on the Bonds. On or about July 31 of each year, commencing on or about [July 31, 2025], the Trustee shall deposit in the Principal Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Principal Account to equal the aggregate amount of principal then coming due and payable on the Bonds.

(c) Following the foregoing transfers on each Parcel Tax Payment Date, the Trustee shall deposit, on a pro rata basis with respect to the Surplus Account established under the 2016 Indenture, in the Surplus Account all remaining amounts.

**SECTION 5.03. Application of Interest Account.** Subject to the provisions of this Indenture, all amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable. Any amounts on deposit in the Interest Account on any Interest Payment Date and not required to pay interest then due and payable on the Bonds shall be retained in the Interest Account and credited towards the payment of interest on the Bonds next coming due.

**SECTION 5.04. Application of Principal Account.** Subject to the provisions of this Indenture, all amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal of the Bonds upon the stated maturity thereof.

**SECTION 5.05. Application of Redemption Account.** The Trustee shall establish and maintain in trust separate and distinct from the other funds and accounts established hereunder,

the Redemption Account. The Trustee, on the optional redemption date specified in a Written Certificate of the Authority filed with the Trustee at the time that any moneys to accomplish any such optional redemption are paid to the Trustee, shall deposit in the Redemption Account the amount of such payment. Subject to the provisions of this Indenture, all amounts deposited in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of redeeming Bonds pursuant to Section 4.01(a) and 4.01(b).

**SECTION 5.06. Application of Surplus Account.** The Trustee shall establish and maintain in trust separate and distinct from the other funds and accounts established hereunder, the Surplus Account. Promptly upon the deposit of amounts into the Surplus Account, the Trustee shall apply such amounts for the following purposes in the following order of priority:

(a) to pay or reimburse the payment of the reasonable costs and expenses incurred by the Authority to administer the Bonds, including reasonable fees and expenses of the Trustee; and

(b) all remaining amounts shall be promptly transferred to the Authority, free and clear of the lien of this Indenture, for any legal use thereof.

**SECTION 5.07. [Reserved.]**

**SECTION 5.08. Use of Money in the Delivery Costs Fund.** The Trustee shall disburse funds from the Delivery Costs Fund only upon receipt of a signed certificate or requisition (stating the amount to be disbursed and the party or parties being paid) approved by the authorized officer of the Authority and accompanied by an invoice or statement for each such amount. After the Closing Date, the Authority may transfer moneys to the Trustee for deposit in the Delivery Costs Fund and such moneys shall be disbursed in accordance with this Section 5.08. Upon payment of all Delivery Costs, which shall be determined by a certificate of an Authorized Representative of the Authority delivered to the Trustee, or upon the date occurring three (3) months after the Closing Date, whichever occurs first, the Trustee shall transfer all funds remaining in the Delivery Costs Fund to the Project Fund, and the Delivery Costs Fund shall thereupon be closed.

**SECTION 5.09. Reserve Fund.**

The Trustee hereby agrees to establish and maintain so long as any Bonds are Outstanding the Reserve Fund. [The Reserve Policy shall be deposited in the Reserve Fund which shall satisfy the Reserve Requirement. The Trustee shall hold the Reserve Fund in trust. So long as the Reserve Policy is in force and effect, the Trustee shall draw on the Reserve Policy in accordance with the provisions of Section 11.08.] Otherwise, the Trustee shall apply moneys in the Reserve Fund in accordance with the following provisions.

If, two (2) Business Days prior to any Interest Payment Date, the money in the Revenue Fund does not equal the amount required to be paid to the Bond Owners on such Interest Payment Date, the Trustee shall transfer from the Reserve Fund to the Revenue Fund the amount of such insufficiency; provided, if the Reserve Fund is funded with a letter of credit, surety bond, insurance policy or other comparable credit facility as described below, the Trustee shall take such action as is necessary to either (i) make a drawing under the letter of credit or (ii) make a claim under the

surety bond or insurance policy, respectively, so that the amount of such insufficiency is paid or available to the Trustee on such Interest Payment Date under the terms of such instrument.

If, following valuation or calculation thereof, the amount available and contained in the Reserve Fund (valued as provided in Section 5.12 hereof) exceeds the Reserve Requirement and if the Trustee does not have actual knowledge of an Event of Default hereunder, the Trustee shall withdraw the amount of such excess from the Reserve Fund. The Trustee shall transfer such amount to the Project Fund. Solely for purposes of determining the amount on deposit in the Reserve Fund, the Trustee shall make a valuation of the Reserve Fund as of February 1 and August 1 of each year. All money in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making the payments of principal and interest on the Bonds in the event that amounts on deposit in the Revenue Fund are insufficient for such purposes, or with respect to a redemption of the Bonds in whole.

If amounts on deposit in the Reserve Fund shall, at any time, be less than the applicable Reserve Requirement, such deficiency shall be immediately made up by the Authority from available Revenues, if any, and the Reserve Fund shall be valued monthly until amounts on deposit therein equal the Reserve Requirement.

In lieu of making the Reserve Fund deposits in compliance herewith, or in replacement of moneys then on deposit in the Reserve Fund, the Authority may deliver to the Trustee an irrevocable letter of credit issued by a financial institution having unsecured debt obligations at the time of delivery of such letter of credit rated not less than the current rating categories of Fitch and Moody's on the Bonds, in an amount, together with moneys, or surety bonds or insurance policies (as described below) on deposit in the Reserve Fund, equal to the Reserve Requirement. Such letter of credit shall have an original term of no less than three (3) years or, if less, the final maturity of the Bonds and such letter of credit shall provide by its terms that it may be drawn upon as provided herein. At least one year prior to the stated expiration of such letter of credit, the Authority shall either (i) deliver a replacement letter of credit, (ii) deliver an extension of the letter of credit for at least an additional year or, if less, the final maturity of the Bonds, or (iii) deliver to the Trustee a surety bond or an insurance policy satisfying the requirements set forth below. Upon delivery of such replacement letter of credit, extended letter of credit, or surety bond or insurance policy, the Trustee shall deliver the then-effective letter of credit to or upon the written order of the Authority. If the Authority shall fail to deposit a replacement letter of credit, extended letter of credit or surety bond or insurance policy with the Trustee, the Authority shall immediately commence to make monthly deposits with the Trustee so that an amount equal to the Reserve Requirement will be on deposit in the Reserve Fund no later than the stated expiration date of the letter of credit. If an amount equal to the Reserve Requirement as of the date following the expiration of the letter of credit is not on deposit in the Reserve Fund one week prior to the stated expiration date of the letter of credit, the Trustee shall draw on the letter of credit to fund the deficiency resulting therefrom in the Reserve Fund.

Additionally, the Authority may, with an opinion of nationally recognized bond counsel that such delivery complies with the provisions hereof, deliver to the Trustee a surety bond or an insurance policy securing an amount, together with moneys or letters of credit on deposit in the Reserve Fund, equal to the Reserve Requirement. Such surety bond or insurance policy shall be issued by an insurance company whose unsecured debt obligations (or for which obligations

secured by such insurance company's insurance policies) at the time of delivery of such surety bond or insurance policy are rated not less than the current rating category of Fitch and Moody's on the Bonds. Such surety bond or insurance policy shall have a term of no less than the final maturity of the Bonds. In the event that such surety bond or insurance policy for any reason lapses or expires, the Authority shall immediately implement clause (i) or (iii) of the preceding paragraph or make the required deposits to the Reserve Fund.

The Trustee shall, on a pro rata basis with respect to the portion of the Reserve Fund held in cash and amounts held in the form of letters of credit, surety bonds and insurance policies (calculated by reference to the maximum amounts of such letters of credit, surety bonds and insurance policies and the amount of the initial deposit of such cash), draw under each letter of credit, surety bond or insurance policy, in a timely manner and pursuant to the terms of such letter of credit, surety bond or insurance policy to the extent necessary in order to obtain sufficient funds on or prior to the date such funds are needed as required herein. In the event that the Trustee has written notice that any payment of principal or interest on a Bond has been recovered from an Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee, pursuant to and provided that the terms of the letter of credit, surety bond or insurance policy, if any, securing such Bonds so provide, shall so notify the issuer thereof and draw on such letter of credit, surety bond or insurance policy to the lesser of the extent required or the maximum amount of such letter of credit, surety bond or insurance policy in order to pay such Bond Owners the principal and interest so recovered.

Following the replacement of moneys then on deposit in the Reserve Fund by an irrevocable letter of credit, surety bond, or insurance policy as provided herein, the Trustee shall notify Fitch and Moody's in writing and any moneys on deposit in the Reserve Fund in excess of the Reserve Requirement shall be transferred by the Trustee to the Revenue Fund to be credited as provided herein, or, with the written approval of nationally recognized bond counsel to the effect that such transfer other than to the Revenue Fund is hereby authorized, to such other fund or account as may be directed by the Authority.

**SECTION 5.10. Establishment and Maintenance of Project Fund.** The Trustee hereby agrees to establish and maintain a fund entitled the "MERA 2024 Bond Project Fund" (the "Project Fund") until the completion of the Acquisition of the Project. All money in the Project Fund shall be held by the Trustee in trust and shall be applied by the Trustee for the payment of Acquisition Costs and the expenses incidental thereto.

Except for the foregoing specified transfers, before any payment is made from the Project Fund by the Trustee, the Authority shall file with the Trustee a signed requisition (stating the amount to be disbursed and the party or parties being paid) approved by an Authorized Representative of the Authority and accompanied by an invoice or statement for each such amount. Upon receipt of each such requisition, the Trustee shall pay the amount set forth therein as directed by the terms thereof from moneys on deposit in the Project Fund.

When the Acquisition of the Project has been completed to the satisfaction of the Authority or when the Authority determines that a portion of the Project will not be Acquired, the Authority shall deliver a Certificate of Completion to the Trustee stating the fact and date of the completion

of such improvements, and stating that all the Acquisition Costs and the expenses incidental thereto have been determined and paid (or that such claims and expenses have been paid less specified claims which are subject to dispute and for which a retention in the Project Fund is to be maintained in the full amount of such claims until such dispute is resolved). Upon receipt of such Certificate of Completion, the Trustee shall transfer (but less the amount of such retention) all remaining moneys in the Project Fund to the Revenue Fund, to be credited to the payment of the Debt Service as provided herein. In the event the Project Fund has not been depleted by the date which is three years after the Closing Date, the Authority shall give written instructions to the Trustee as to the investment of any moneys remaining therein fifteen (15) days prior to such date and shall provide an opinion of nationally recognized bond counsel to the effect that such investment shall not adversely affect the tax-exempt status of the Bonds.

**SECTION 5.11. Investment of Moneys.** Except as otherwise provided herein and except with respect to the investment of moneys initially deposited in the Project Fund on the Closing Date, all moneys in any of the funds or accounts established pursuant to this Indenture shall be invested by the Trustee solely in Defeasance Obligations or Permitted Investments, as directed in writing by the Authority two (2) Business Days prior to the making of such investment. Permitted Investments may be purchased at such prices as the Authority shall determine. All Permitted Investments shall be acquired subject to any limitations or requirements as may be established by the Written Request of the Authority filed with the Trustee. Amounts on deposit in any fund or account created pursuant to this Indenture shall be invested in Permitted Investments which will, as nearly as practicable, mature on or before the dates when such money is anticipated to be needed for disbursement hereunder, in accordance with such written directions as the Authority may from time to time provide to the Trustee. Amounts on deposit in the Reserve Fund shall be invested by the Trustee, in accordance with written directions from the Authority, in Permitted Investments (i) having an average aggregate weighted term to maturity not greater than five (5) years, or (ii) of any maturity, but callable at par for any purpose required by this Indenture. Absent timely written direction from the Authority, the Trustee shall invest any funds held by it in Permitted Investments described in clause (4) of the definition thereof; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction of the Authority specifying a specific money market fund and, if no such written direction of the Authority is so received, the Trustee shall hold such moneys uninvested.

All interest, profits and other income received from the investment of moneys in any fund or account established pursuant to this Indenture (other than the Reserve Fund) shall be deposited in the Revenue Fund. All interest, profits and other income received from the investment of moneys in the Reserve Fund shall be retained in the Reserve Fund to the extent amounts on deposit therein shall not be at least equal to the Reserve Requirement, and thereafter shall be transferred to the Revenue Fund. Permitted Investments acquired as an investment of moneys in any fund established under this Indenture shall be credited to such fund.

The Trustee may act as principal or agent in the making or disposing of any investment. Upon the Written Request of the Authority, the Trustee shall sell or present for redemption any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted

Investments is credited, and the Trustee shall not be liable or responsible for any loss resulting from any investment made or sold pursuant to this Section 5.11. For purposes of investment, the Trustee may commingle moneys in any of the funds and accounts established hereunder.

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

**SECTION 5.12. Valuation and Disposition of Investments.** Except as provided in Section 5.09 (relating to the valuation of the Reserve Fund), (i) in computing the amount in any fund or account, Permitted Investments shall be valued at market value, exclusive of accrued interest; and (ii) valuation shall occur not less often than immediately prior to each Interest Payment Date, and upon any draw on the Reserve Fund. In making such valuations, the Trustee may utilize, and conclusively rely upon such valuation services as may be available to the Trustee, including those within its regular accounting system.

## **ARTICLE VI**

### **COVENANTS**

**SECTION 6.01. Punctual Payment.** The Authority shall punctually pay or cause to be paid the principal, premium, if any, and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Indenture and received by the Authority or the Trustee.

**SECTION 6.02. Extension of Payment of Bonds.** The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

**SECTION 6.03. Against Encumbrances.** The Authority shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, including other programs under the Bond Law, and reserves the right to issue other obligations for such purposes.



**SECTION 6.04. Power to Issue Bonds and Make Pledge and Assignment.** The Authority is duly authorized pursuant to the Bond Law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding special obligations of the Authority in accordance with their terms, and the Authority and the Trustee (subject to the provisions of Article VIII) shall at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

**SECTION 6.05. Accounting Records and Financial Statements.** The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions of the Trustee relating to the proceeds of the Bonds, the Revenues and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Authority, during regular business hours and upon reasonable notice and under reasonable circumstances as agreed to by the Trustee.

The Trustee will keep, or cause to be kept, books of records and accounts in which entries shall be made of all transactions of the Trustee relating to the receipts, disbursements and allocation of moneys on deposit in the funds and accounts established hereunder. The Trustee will provide a statement summarizing such transactions to the Authority on a monthly basis.

**SECTION 6.06. Waiver of Laws.** The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority to the extent permitted by law.

**SECTION 6.07. Covenants With Respect to the Financing Agreement.**

(a) Amendment of Financing Agreement. The Authority shall not amend or modify the Financing Agreement, except as provided therein.

(b) Collection of Revenues. The Authority covenants and agrees that it has entered into the Financing Agreement with the County which requires the County to make payments to the Trustee from the sources of funding identified in the Financing Agreement in the amounts necessary to make payments of principal and interest on the Bonds and to otherwise satisfy the Authority's obligations under this Indenture. The Financing Agreement has not and will not be amended, modified or altered so long as any of the Bonds are Outstanding in any manner which would reduce the amount of or timing of receipt of Revenues or otherwise limit, hinder or adversely affect the security for the Bonds, and the Authority hereby transfers and assigns to the Trustee all of the Authority's right, title and interest in the receipt of the payments made by the County pursuant to the Financing Agreement and the right to enforce the obligations of the County under the Financing Agreement. The Authority will receive and hold in trust for (and remit immediately to) the Trustee any Revenues paid to the Authority by the County.

(c) Compliance with Financing Agreement. The Authority will comply with the provisions of the Financing Agreement, and in the event of a default by the County will diligently pursue, or cause to be pursued, all remedies available to the Authority.

(d) Notification of Default. Upon receiving actual knowledge of either (i) the failure by the County to pay its Parcel Tax Payment, or (ii) the occurrence of any other event of default under the Financing Agreement, the Trustee shall promptly notify the Authority of such failure or event of default by telephone, email or other form of telecommunication, promptly confirmed in writing. Such notice shall identify the nature of the default and the actions which the Trustee has taken and intends to take with respect thereto.

**SECTION 6.08. Tax Covenants Relating to Bonds.** The Authority shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest on the Bonds to become includable in gross income for federal income tax purposes. To that end, the Authority hereby make the following specific covenants:

(a) The Authority hereby covenants that it shall not make or permit any use of the proceeds of the Bonds that may cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

(b) The Authority covenants that the proceeds of the Bonds will not be used as to cause the proceeds on the Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(c) The Authority covenants not to take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

**SECTION 6.09. Further Assurances.** The Authority will make, execute and deliver any and all such further indentures, 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 of the rights and benefits provided in this indenture.

**SECTION 6.10. Protection of Security and Rights of Bond Owners.** The Authority will preserve and protect the security of the Bonds and the rights of the Bond Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Authority the Bonds shall be incontestable by the Authority.

**SECTION 6.11. [Reserved].**

**SECTION 6.12. Rebate of Excess Investment Earnings to United States.**

(a) Obligation to Calculate Excess Investment Earnings. The Authority shall calculate or cause to be calculated, and shall provide or cause to be provided written notice to the Trustee of, the excess investment earnings (as defined in the Code, “Excess Investment Earnings”) at such

times and in such manner as may be required pursuant to the Code. The Authority shall inform the Trustee how frequently calculations are to be made, and shall ensure that a copy of all such calculations is given promptly to the Trustee.

(b) Rebate to United States. The Authority agrees to deposit with the Trustee, promptly upon the receipt of any calculations made pursuant to the preceding subsection (a), the amount of Excess Investment Earnings so calculated. The Trustee shall deposit all amounts paid to it for such purpose by the Authority in the Rebate Fund, which fund the Trustee hereby agrees to establish when required to deposit any funds therein and maintain so long as any Bonds are Outstanding. The Trustee shall pay to the United States of America from the amounts on deposit in the Rebate Fund such amounts as shall be identified pursuant to written direction filed with the Trustee by the Authority for such purpose from time to time. Payments to the United States of America shall be made to the address prescribed by the Tax Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Tax Regulations. Following payment in full to the United States of America of all amounts due and owing under this subsection (b) and under the Code, the Trustee shall withdraw from the Rebate Fund and transfer to the Authority all amounts remaining on deposit in the Rebate Fund.

(c) Investment Transactions. The Authority shall assure that Excess Investment Earnings are not paid or disbursed except as required in this Section 6.12. To that end the Authority shall assure that investment transactions are on an arm's-length basis. In the event that Permitted Investments consist of certificates of deposit or investment contracts, investment in such Permitted Investments shall be made in accordance with the procedures described in the Tax Regulations.

(d) Maintenance of Records. The Authority shall keep, and retain for a period of six (6) years following the retirement of the Bonds, records of the determinations made pursuant to this Section 6.12.

(e) Engagement of Professional Services. In order to provide for the administration of this Section 6.12, the Authority may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Authority may deem appropriate.

(f) Modification of this Section. Any of the provisions of this Section 5.13 may be amended, modified or deleted in any manner whatsoever in the event that the Authority shall cause to be filed with the Trustee written directions making such amendment, modification or deletion, which written directions are accompanied by an opinion of Bond Counsel stating that such amendment, modification or deletion will not cause interest on the Bonds to be includable in gross income of the Bondowners for federal income tax purposes.

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS

**SECTION 7.01. Events of Default.** The following events shall be Events of Default:

(a) Failure to pay any installment of principal of any Bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, or otherwise.

(b) Failure to pay any installment of interest on any Bonds when and as the same shall become due and payable.

(c) Failure by the Authority to observe and perform any of the other covenants, agreements or conditions on its part in this Indenture, the Financing Agreement or in the Bonds contained, if such failure shall have continued for a period of sixty (60) days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the Authority by the Trustee or the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding; *provided, however*, if in the reasonable opinion of the Authority the failure stated in the notice can be corrected, but not within such sixty (60) day period, such failure shall not constitute an Event of Default if corrective action is instituted by the Authority within such period and the Authority shall thereafter diligently and in good faith cure such failure in a reasonable period of time.

(d) The Authority shall commence a voluntary case under Title 11 of the United States Code or any substitute or successor statute or any similar statute or otherwise declare insolvency.

**SECTION 7.02. Notice of Event of Default.** Immediately upon becoming aware of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Authority by telephone confirmed in writing.

**SECTION 7.03. Remedies.** In each and every such case during the occurrence and continuation of an Event of Default, the Trustee may, or if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, upon being indemnified to its satisfaction, exercise the remedies provided to the Authority in Section 7.02 of the Financing Agreement.

The Trustee and, subject to the provisions of Sections 7.06 and 7.07 hereof, the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding may, upon being indemnified to its satisfaction:

(a) by mandamus or other action or proceeding or suit at law or in equity enforce its rights against the Authority or the Members or any board member, officer or employee thereof, and compel the Authority or the Members or any such board member, officer or employee to perform or carry out its or his duties under law and the agreements and covenants required to be performed by it or him contained herein; or

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

(c) intervene in judicial proceedings that affect the Bonds or the security therefor; or

(d) seek the appointment of a receiver or other third party to operate the Project and collect Revenues.

**SECTION 7.04. Application of Revenues and Other Funds After Default.** If an Event of Default shall occur and be continuing, all Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds and payment of reasonable fees, charges and expenses of the Trustee (including reasonable fees and disbursements of its counsel, advisors and agents) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal of and interest then due with respect to the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Indenture, as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due, whether at maturity or by call for redemption, with interest on the overdue principal at the rate borne by the respective Bonds on the date of maturity or redemption, and, if the amount available shall not be sufficient to pay in full all the Bonds, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference.

If an Event of Default shall occur and be continuing, the Trustee shall liquidate investment obligations in the Revenue Fund and apply amounts credited to such funds as set forth above.

**SECTION 7.05. Trustee to Represent Bond Owners.** The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to the Owners under the provisions of the

Bonds, this Indenture, the Bond Law, the Refunding Law and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bond Owners, the Trustee in its discretion may, or at the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding and upon being reasonably indemnified therefor, the Trustee shall, proceed to protect or enforce its rights or the rights of such Owners by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee and such Owners under the Bonds, this Indenture, the Bond Law, the Refunding Law or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and other assets pledged under this Indenture, pending such proceedings. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of the Owners of such Bonds, subject to the provisions of this Indenture.

**SECTION 7.06. Bond Owners' Direction of Proceedings.** Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnification of the Trustee to its reasonable satisfaction, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bond Owners not parties to such direction.

**SECTION 7.07. Limitation on Bond Owners' Right to Sue.** No Owner of any Bonds shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Bond Law, the Refunding Law or any other applicable law with respect to such Bonds, unless (a) such Owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Owner or said Owners shall have tendered to the Trustee indemnity 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 Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right

under the Bonds, this Indenture, the Bond Law, the Refunding Law or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture.

**SECTION 7.08. Absolute Obligation of Authority.** Nothing in Section 7.07 or in any other provision of this Indenture or in the Bonds contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the principal of and interest on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor and received by the Authority or the Trustee, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

**SECTION 7.09. Termination of Proceedings.** In case any proceedings taken by the Trustee or any one or more Bond Owners on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bond Owners, then in every such case the Authority, the Trustee and the Bond Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the Authority, the Trustee and the Bond Owners shall continue as though no such proceedings had been taken.

**SECTION 7.10. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

**SECTION 7.11. No Waiver of Default.** No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power arising upon the occurrence of 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 given by this Indenture to the Trustee or to the Owners of the Bonds may be exercised from time to time and as often as may be deemed expedient.

## **ARTICLE VIII**

### **THE TRUSTEE**

**SECTION 8.01. Trustee; Duties, Removal and Resignation.** By executing and delivering the Indenture, the Trustee accepts the duties and obligations of the Trustee provided in the Indenture, but only upon the terms and conditions set forth in the Indenture.

The Authority, in its sole discretion, or the Owners of a majority in aggregate principal amount of all Bonds Outstanding may, by thirty (30) days prior written request, remove the Trustee initially a party hereto, and any successor thereto, and in such event, or in the event the Trustee

resigns, the Authority shall appoint a successor Trustee, but any such successor shall be a bank, national banking association or trust company in good standing and having an office in Los Angeles or San Francisco, California, having (or if such bank or trust company is a member of a bank holding company system, its bank holding company shall have) a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published.

The Trustee may at any time resign by giving written notice to the Authority and by giving to the Bond Owners notice by mailing a notice of such resignation to their addresses appearing in the Bond Register. Upon receiving any such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event that the Authority does not appoint a successor Trustee within thirty (30) days following receipt of such notice of resignation, the resigning Trustee may petition at the expense of the Authority an appropriate court having jurisdiction to appoint a successor Trustee or to resign. Subject to the prior sentence, any resignation or removal of the Trustee shall not become effective until written acceptance of appointment by the successor Trustee under the Indenture.

Any Trustee which shall resign or be removed pursuant to this Section shall be entitled to compensation in accordance with Section 8.02 and to reimbursement for all reasonable and proper expenses and advances incurred and not previously reimbursed for its activities in connection with the Indenture and for any indemnification due pursuant to the Indenture and not previously paid. Any Trustee which resigns or is removed, upon payment of its unpaid compensation and expenses hereunder, shall fully discharge all the right, title and interest of the retiring Trustee and amounts on deposit hereunder shall vest in said successor Trustee, and such retiring Trustee shall promptly pay over, assign and deliver to the successor Trustee any money or other property on deposit pursuant hereto then held by such Trustee, and deliver any and all records, or copies thereof, in respect of the Trustee which it may have.

**SECTION 8.02. Compensation of the Trustee.** The Authority shall pay from time to time, upon receipt of a statement, to the Trustee reasonable compensation for the Trustee's services and shall reimburse the Trustee for all its reasonable advances and expenditures incurred by it in the exercise and performance of its powers and duties under the Indenture. The lien of the Trustee on amounts held by it under the Indenture for its services rendered under the Indenture shall be superior to the rights of the Bond Owners to receive scheduled payments of principal and interest with respect to their Bonds; provided that the Trustee shall have no lien on moneys in the Redemption Account.

The Authority shall hold harmless and indemnify the Trustee for all costs, claims, expenses (including legal fees and expenses) and liabilities incurred by or asserted against the Trustee in the performance of its duties under this Indenture or any related document, including any such reasonable costs, claims, expenses and liabilities incurred in the course of defending itself against any claims or actions or enforcing any remedies under this Indenture or any related document.



Any such indemnity shall not extend to any costs, claims, expenses or liabilities adjudicated to have been caused by the negligence or willful misconduct of the Trustee. The indemnification of the Trustee under this Indenture shall extend to its directors, officers, employees and agents. The obligations of the Authority under this Section shall survive the payment of the Bonds and the discharge of this Indenture and the resignation or removal of the Trustee.

**SECTION 8.03. Protection to Trustee.** The Authority shall indemnify, protect and hold the Trustee harmless and the Trustee shall incur no liability for acting upon any notice, resolution, consent, order, certificate, report, certificate or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee, in its discretion, may consult with counsel, who may be counsel to the Authority, with regard to legal questions, and the advice or opinion of such counsel, in the absence of negligence or willful misconduct on the part of the Trustee, shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Indenture in good faith in accordance therewith.

Whenever in the administration of its duties under the Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Indenture, such matter (unless other evidence in respect thereof be specifically prescribed in the Indenture) may, in the absence of negligence or willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by the certificate of an Authorized Officer of the Authority and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of the Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof (but shall not be obligated to), accept other evidence of such matter.

The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds issued pursuant to the Indenture, and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party to the Indenture. The Trustee and its affiliates, either as sponsor, advisor, principal or agent, may also engage in or be interested in any financial or other transaction with the Authority, and may act as depository, trustee, or agent for any committee or body of Owners of Bonds or other obligations of the Authority as freely as if it were not Trustee under the Indenture.

The recitals, statements and representations contained in this Indenture or in the Bonds, save only the Trustee's authentication of the Bonds, shall be taken and construed as made by and on the part of the Authority, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof. The Trustee shall not be deemed to make any representations with respect to the security afforded by this Indenture.

The Trustee may execute any of the trusts or powers hereof and perform the duties required of it under the Indenture by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty under the Indenture, and, except as provided herein, the Trustee shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by the Trustee with reasonable care. The Trustee shall be fully reimbursed by the Authority for reasonable expenses incurred in connection with the performance of its obligations under the Indenture. Upon any default by, or misconduct of, any agent, attorney

or receiver appointed by the Trustee, the Trustee shall fully pursue all remedies available to it against such attorney, agent or receiver, and the proceeds of the exercise of such remedies shall be used to reimburse the Authority for any loss it may have suffered as a result of the default or misconduct of such agent, attorney or receiver.

Before taking any remedial action hereunder the Trustee may require that a satisfactory indemnity bond or other indemnity satisfactory to the Trustee be furnished for the reimbursement of all reasonable expenses to which it may be put and to protect it against all liability which may be incurred in connection with the taking of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct; provided, however, the Trustee shall not seek such indemnity prior to making payments on the Bonds.

The Trustee, prior to the occurrence of an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, undertakes to perform only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable person would exercise or use in the conduct of such person's own affairs.

The Trustee shall not be deemed to have knowledge of an Event of Default (except in connection with a failure of the Authority to make Debt Service payments when due) until a Responsible Officer has actual knowledge thereof, or until notified in writing of such Event of Default.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

No provision of this Indenture or any other document related hereto shall require the Trustee to risk or advance its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of its rights hereunder.

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

The Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of a majority (or other percentage provided for herein) in aggregate principal amount of Bonds outstanding relating to the exercise of any right, power or remedy available to the Trustee.

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

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 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 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.

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

The Trustee shall not be concerned with 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.

The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

**SECTION 8.04. Payment Limited.** All payments to be made by the Trustee under and pursuant to this Indenture shall be made only from the corpus, income and proceeds of the amounts on deposit pursuant hereto and only to the extent that the Trustee shall have received sufficient contribution, income and proceeds in accordance with the terms of this Indenture.

**SECTION 8.05. 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 that such company shall be eligible under Section 8.01 hereof, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**SECTION 8.06. Funds and Accounts.** The Trustee may establish such funds and accounts as it reasonably deems necessary or appropriate to perform its obligations hereunder.

## ARTICLE IX

### MODIFICATION OR AMENDMENT HEREOF

#### SECTION 9.01. Amendments Permitted.

(a) This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by

an indenture or indentures supplemental hereto, which the Authority and the Trustee may enter into with the written consent of the Owners of a majority in aggregate principal amount of all Bonds then Outstanding, which shall have been filed with the Trustee. No such modification or amendment shall (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof, or extend the time of payment, without the consent of the Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or (iii) permit the creation of any lien on the Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture or deprive the Owners of the Bonds of the lien created by this Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bond Owners to approve the particular form of any supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Authority and the Trustee of any supplemental Indenture pursuant to this subsection (a), the Trustee shall mail a notice (the form of which shall be furnished to the Trustee by the Authority), by first class mail postage prepaid, setting forth in general terms the substance of such supplemental indenture, to the Owners of the Bonds at the respective addresses shown on the Registration Books. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

(b) This Indenture and the rights and obligations of the Authority, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Authority and the Trustee may enter into without the consent of any Bond Owners, for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision contained in this Indenture;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(iv) to provide for the issuance of Parity Bonds, Contracts or subordinate obligations as provided for in Section 2.10 hereof;

(v) to modify, amend or supplement this Indenture in such manner as to cause interest on the Bonds to be excludable from gross income for purposes of federal income taxation by the United States of America; and

(vi) in any other respect whatsoever as the Authority may deem necessary or desirable, provided that such modification or amendment does not materially adversely affect the interests of the Bond Owners hereunder, in the opinion of Bond Counsel filed with the Authority and the Trustee.

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

**SECTION 9.02. Effect of Supplemental Indenture.** Prior to the execution and delivery of any Supplemental Indenture pursuant to this Article, the Trustee shall cause to be delivered to Fitch and Moody's the final form thereof in accordance with Section 11.07. Upon the execution of any supplemental indenture pursuant to this Article, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Owners of Bonds Outstanding 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 such supplemental indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

**SECTION 9.03. Endorsement of Bonds; Preparation of New Bonds.** Bonds delivered after the execution of any supplemental indenture pursuant to this Article may, and if the Authority so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to any modification or amendment provided for in such supplemental indenture, and, in that case, upon demand on the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Office of the Trustee a suitable notation shall be made on such Bonds. If the supplemental indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Trustee, to any modification or amendment contained in such supplemental indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand of the Owners of any Bonds then Outstanding shall be exchanged at the Office of the Trustee, without cost to any Bond Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same interest rate and maturity.

**SECTION 9.04. Amendment of Particular Bonds.** The provisions of this Article shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by such Owner.

## ARTICLE X

### DEFEASANCE

**SECTION 10.01. Discharge of Indenture.** The Bonds may be paid in whole or in part by the Authority in any of the following ways, provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority:

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

(b) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem such Bonds; or

(c) by delivering to the Trustee, for cancellation by it, all of such Bonds.

If the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority including without limitation any compensation due and owing the Trustee hereunder, then and in that case, at the election of the Authority (evidenced by a Written Certificate of the Authority, filed with the Trustee, signifying the intention of the Authority to discharge all such indebtedness and this Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of Revenues and other assets made under this Indenture and all covenants, agreements and other obligations of the Authority under this Indenture shall cease, terminate, become void and be completely discharged and satisfied. In such event, upon the Written Request of the Authority, and upon receipt of a Written Certificate of an Authorized Representative of the Authority and an opinion of Bond Counsel, each to the effect that all conditions precedent herein provided for relating to the discharge and satisfaction of the obligations of the Authority have been satisfied, the Trustee shall cause an accounting for such period or periods as may be requested by the Authority to be prepared and filed with the Authority and shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver all moneys or securities or other property held by it pursuant to this Indenture, which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption, to the Authority.

**SECTION 10.02. Discharge of Liability on Bonds.** Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any or all Outstanding Bonds (whether upon or prior to the maturity or the redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the given of such notice, then all liability of the Authority in respect of such Bonds shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 10.04.

The Authority may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

**SECTION 10.03. Deposit of Money or Securities with Trustee.** Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities

so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be

(a) Lawful money of the United States of America, in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such Bonds, premium, if any, and all unpaid interest thereon to the redemption date; or

(b) Defeasance Obligations the principal of, premium, if any, and interest on which when due, in the opinion or report of an independent accountant selected by the Authority, will provide money sufficient to pay the principal of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal and interest become due, provided that in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Written Request of the Authority) to apply such funds to the payment of such principal and interest with respect to such Bonds.

Escrows established to provide for the discharge of Bonds pursuant to this Section 10.03 must be sufficient, without reinvestment, to pay all principal and interest as scheduled thereon including the date of redemption.

**SECTION 10.04. Payment of Bonds After Discharge of Indenture.** 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 any of the Bonds which remains unclaimed for two (2) years after the date when each payment of such interest, premium and principal has become payable shall be repaid within sixty (60) days of such date by the Trustee to the Authority as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Authority for the payment of the principal of and interest and redemption premium (if any) on such Bonds. The Trustee shall not be liable to the Authority or any Owner for interest on funds held by it for the payment and discharge of the interest, or premium (if any) on or principal of any of the Bonds to any Owner. The Authority shall not be liable for any interest to the sums paid to it pursuant to this paragraph and shall not be regarded as a trustee of such money.

## ARTICLE XI

### MISCELLANEOUS

**SECTION 11.01. Liability of Authority Limited to Revenues.** Notwithstanding anything in this Indenture or in the Bonds contained, neither the Authority nor any member thereof

shall be required to advance any moneys derived from any source other than the Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture. Nevertheless, the Authority may, but shall not be required to, advance for any of the purposes hereof any funds of the Authority which may be made available to it for such purposes.

**SECTION 11.02. Successor Is Deemed Included in All References to Predecessor.** Whenever in this Indenture either the Authority 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 or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

**SECTION 11.03. Limitation of Rights.** Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee and the Owners of the Bonds.

**SECTION 11.04. Waiver of Notice; Requirement of Mailed Notice.** Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in this Indenture any notice shall be required to be given by mail, such requirement shall be satisfied by the deposit of such notice in the United States mail, postage prepaid, by first class mail.

**SECTION 11.05. Destruction of Bonds.** Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, the Trustee may, upon the Written Request of the Authority, in lieu of such cancellation and delivery, destroy such Bonds (in the presence of an officer of the Authority, if the Authority shall so require) as may be allowed by law, and deliver a certificate of such destruction to the Authority.

**SECTION 11.06. Severability of Invalid Provisions.** If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.



**SECTION 11.07. Notices.** All notices or communications herein required or permitted to be given to the Authority or the Trustee shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopy or by being deposited, postage prepaid, in a post office letter box, or by overnight courier or by facsimile (with receipt confirmed by telephone) addressed (until such address is changed by the addressee) as follows:

If to the Authority: Marin Emergency Radio Authority  
c/o Novato Fire Protection District  
95 Rowland Way  
Novato, CA 94945  
Attention: Executive Officer

If to the Trustee: U.S. Bank Trust Company, National Association  
One California Street, 10<sup>th</sup> Floor  
San Francisco, CA 94111  
Attention: Global Corporate Trust Services

If to the County: County of Marin  
3501 Civic Center Drive  
San Rafael, CA 94913  
Attention: Auditor-Controller

**[SECTION 11.08. Reserve Policy Provisions..**

(a) The Authority shall repay any draws under the Reserve Policy and pay all related reasonable expenses incurred by the Reserve Insurer. Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Reserve Fund established for the Bonds and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Revenue Fund for payment of the debt service on the Bonds before any drawing may be made on the Reserve Policy or any other credit facility on deposit in the Reserve Fund in lieu of cash (“Reserve Fund Credit Instrument”).

(b) Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all reserve fund credit instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the

coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other reserve fund credit instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. 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 regard 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. The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Reserve Requirement.

(c) Draws under the Reserve Policy may only be used to make payments on the Bonds covered under the Reserve Policy.

(d) If the Authority shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture.

(e) The Indenture shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Authority’s obligation to pay such amount shall expressly survive payment in full of the Bonds.

(f) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(g) Any amendment, supplement, modification to, or waiver of this Indenture or any other document executed in connection with the Bonds (collectively, the “Security Documents”) that requires the consent of the Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(h) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(i) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of Section 2.10 of the Indenture.

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

(k) The Authority agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer’s agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Indenture or any other Security Document (“Administrative Expenses”). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead

attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Authority agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(l) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Bonds shall not discharge the obligation of the Authority with respect to such Bonds, and the Reserve Insurer shall become the owner of such unpaid Bonds and claims for the interest thereon. The Authority and the Trustee recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Trustee), on account of principal of or interest on the Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Authority, with interest thereon.

(m) The Authority shall be obligated to pay to the Trustee for deposit to the Reserve Fund an amount equal to the debt service reserve fund replenishment under the Indenture, including amounts required to repay draws and Policy Costs under the Reserve Policy.

(n) Notice and Other Information shall be given to the Reserve Insurer as follows:

i. The Authority will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of Bonds or the Trustee under the Security Documents.

ii. In addition, the Authority shall provide the Reserve Insurer with the following notices and other information: (i) notice of any draw upon the Reserve Fund within two (2) business days after knowledge thereof, other than in connection with withdrawals of amounts in excess of the Reserve Requirement; and (ii) prior written notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof.

iii. The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

iv. The notice address of Reserve Insurer is:

Build America Mutual Assurance Company  
200 Liberty Street, 27th Floor  
New York, NY 10281  
Attention: Surveillance, Re: Policy No. \_\_\_\_\_  
Telephone: (212) 235-2500  
Telecopier: (212) 235-1542  
[Email: notices@buildamerica.com](mailto:notices@buildamerica.com)

In each case in which notice or other communication refers to an event of default or a claim on the Reserve Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at [claims@buildamerica.com](mailto:claims@buildamerica.com) or at

Telecopier: (212) 235-5214 and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”]

**SECTION 11.09. Evidence of Rights of Bond Owners.** Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and the Authority if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument 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 registered Bonds shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in accordance therewith or reliance thereon.

**SECTION 11.10. 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 known by the Trustee to be owned or held by or for the account of the Authority or a Member, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or a Member or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee’s right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or a Member or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Upon request of the Trustee, the Authority or Member shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

**SECTION 11.11. Money Held for Particular Bonds.** The money held by the Trustee for the payment of the interest, principal or premium due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such

date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04 but without any liability for interest thereon.

**SECTION 11.12. Funds and Accounts.** Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with industry standards to the extent practicable, and with due regard for the requirements of Section 6.05 and for the protection of the security of the Bonds and the rights of every Owner thereof.

**SECTION 11.13. Payment on Non-Business Days.** In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day.

**SECTION 11.14. Waiver of Personal Liability.** No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or premium or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

**SECTION 11.15. Execution in Several Counterparts.** This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

**SECTION 11.16. Governing Laws.** This Indenture shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the MARIN EMERGENCY RADIO AUTHORITY has caused this Indenture to be signed in its name by an Authorized Representative and the Trustee, in token

of accepting the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officers thereunto duly authorized, all as of the day and year first above written.

**MARIN EMERGENCY RADIO AUTHORITY**

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

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

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

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

**UNITED STATES OF AMERICA**  
**STATE OF CALIFORNIA**

**MARIN EMERGENCY RADIO AUTHORITY**  
**2024 SPECIAL PARCEL TAX REVENUE BONDS**  
**(MARIN PUBLIC SAFETY AND EMERGENCY RADIO SYSTEM)**

**INTEREST RATE:**      **MATURITY DATE:**      **DATED DATE:**      **CUSIP:**

**REGISTERED OWNER:**    CEDE & CO.

**PRINCIPAL AMOUNT:**

THE MARIN EMERGENCY RADIO AUTHORITY, a joint powers authority and public body, corporate and politic, duly organized and 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, on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Amount stated above in lawful money of the United States of America and to pay interest thereon at the Interest Rate stated above 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 after a Record Date (as hereinafter defined) and on or before the following Interest Payment Date in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or prior to August 1, 2024, in which event it shall bear interest from the Dated Date stated above); provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, interest shall be payable to the person in whose name the ownership of such Bond is registered on the Registration Books at the close of business on a special Record Date to be established by the Trustee for the payment of such defaulted interest, notice of which shall be given to such Owner not less than ten (10) days prior to such special Record Date. Interest is payable semiannually on February 1 and August 1 of each year, commencing [August 1, 2024] (each an “Interest Payment Date”), calculated on the basis of a 360-day year composed of twelve 30-day months until payment of the Principal Amount hereof (whether on the Maturity Date or earlier redemption hereof). The Principal Amount hereof and premium, if any, upon earlier redemption hereof are payable upon presentment and surrender at the Office of U.S. Bank Trust Company, National Association, the Trustee under the Indenture (as hereinafter defined) (the “Trustee”), in San Francisco, California. Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail to the Registered Owner hereof at the Registered Owner’s address as it appears on the Bond registration books maintained by the Trustee

at the close of business on the fifteenth day of the month preceding each Interest Payment Date (the “Record Date”), or upon the written request filed with the Trustee prior to the Record Date preceding an Interest Payment Date by an Owner of \$1,000,000 or more in aggregate principal amount of outstanding Bonds, interest thereon shall be paid on such Interest Payment Date by wire transfer in immediately available funds to the account designated by such Owner in such written request.

This Bond is one of a duly authorized issue of Bonds of the Authority designated as “Marin Emergency Radio Authority 2024 Special Parcel Tax Revenue Bonds (Marin Public Safety and Emergency Radio System)” (the “Bonds”), in an aggregate principal amount of \_\_\_\_ Million Dollars (\$\_\_\_\_\_), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates, or redemption and other provisions). The Bonds are issued pursuant to the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “Act”) and pursuant to an Indenture of Trust, dated as of April 1, 2024, entered into between the Authority and the Trustee (the “Indenture”), authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the Authority) and all indentures supplemental thereto and to the Act for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues pledged as security for the Bonds, as that term is defined in the Indenture, and other amounts pledged under the Indenture, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Authority thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Authority to (i) pay for certain emergency and public safety radio system improvements in the County of Marin (the “Project”), [(ii) purchase a municipal bond debt service reserve insurance policy for the Bonds,] and (iii) pay costs related to the issuance of the Bonds.

The Bonds are special 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 equally and on a parity, by a charge and lien on the Revenues derived by the Authority from the Financing Agreement, dated as of April 1, 2024 (the “Financing Agreement”) relating to the Project, between the Authority and the County of Marin, and other amounts pledged under the Indenture. There has been created and will be maintained by the Trustee a Revenue Fund into which Revenues, consisting primarily of annual payments contributed by the County from Parcel Tax Revenues to the Authority pursuant to the Financing Agreement, shall be deposited and from which the Trustee shall thereafter pay the principal of, any redemption premium and the interest on the Bonds when due. Subject to the foregoing, as and to the extent set forth in the Indenture, all such Revenues (together with all of the moneys in the Reserve Fund) are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Act, 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. Notwithstanding the foregoing, in accordance with the Indenture, certain amounts out of Revenues may be applied for other purposes as provided in the Indenture.



This Bond is not a debt of the County of Marin, the State of California, or any of its political subdivisions, and neither said County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Authority, as set forth in the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds maturing on or before August 1, 2034, are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 2035, are subject to optional redemption on any date on or after August 1, 2035, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without a premium.

As provided in the Indenture, at least thirty (30), but not more than forty-five (45), days prior to the redemption date, notice of redemption shall be given by first class mail to the respective 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 being issued as fully registered bonds without coupons in denominations of \$5,000 or 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 said offices 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 authorized denomination or denominations for the same aggregate principal amount and of the same maturity, will be issued to the transferee in exchange therefor. The Trustee shall not be required to register the transfer or exchange of Bonds (i) between the date which is fifteen days before selection of Bonds for redemption and the date of mailing the notice of redemption, and (ii) as to any Bonds selected for redemption.

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

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

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 Act 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 Act or any 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 Certificate of Authentication hereon shall have been signed by the Trustee.

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

IN WITNESS WHEREOF, the Marin Emergency Radio Authority has caused this Bond to be executed in its name and on its behalf with the manual or facsimile signature of its Executive Officer and attested by the manual or facsimile signature of its Secretary, all as of the dated date set forth above.

**MARIN EMERGENCY RADIO AUTHORITY**

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

Attest:

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

**CERTIFICATE OF AUTHENTICATION**

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

Authentication Date:

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

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

## ASSIGNMENT

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

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

Signature: \_\_\_\_\_

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

Signature Guaranteed by: \_\_\_\_\_

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.